

NORTH SLOPE BOROUGH SCHOOL DISTRICT
(A Component Unit of the North Slope Borough, Alaska)

Basic Financial Statements, Required Supplementary Information,
Supplementary Information and Compliance Reports

Year Ended June 30, 2024

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NORTH SLOPE BOROUGH SCHOOL DISTRICT

Table of Contents

	<u>Exhibit</u>	<u>Page</u>
Independent Auditor's Report		1-4
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A-1	5
Statement of Activities	B-1	6
Fund Financial Statements:		
Balance Sheet – Governmental Funds	C-1	7
Reconciliation of Net Position Between the Government-wide Financial Statements and the Fund Financial Statements	C-2	8
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	D-1	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	D-2	10
Notes to Basic Financial Statements		11-39
Required Supplementary Information:		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Original and Final – Budget and Actual:		
General (School) Operating Fund	E-1	40
Food Service Special Revenue Fund	E-2	41
Public Employees' Retirement System:		
Schedule of District's Proportionate Share of the Net Pension Liability	F-1	42
Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)	F-2	43
Schedule of the District's Contributions (Pensions)	F-3	44
Schedule of the Districts Contributions (OPEB)	F-4	45
Teachers' Retirement System:		
Schedule of District's Proportionate Share of the Net Pension Liability	G-1	46
Schedule of the District's Proportionate Share of the Net OPEB Liability (Asset)	G-2	47
Schedule of the District's Contributions (Pensions)	G-3	48
Schedule of the Districts Contributions (OPEB)	G-4	49
Notes to the Required Supplementary Information		50-53

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Table of Contents, Continued

	<u>Exhibit</u>	<u>Page</u>
Supplementary Information:		
Major Governmental Funds:		
Schedule of Revenues, Expenditures and Changes in Fund Balance –		
Budget and Actual:		
General (School) Operating Fund	H-1	54-57
Food Service Special Revenue Fund	H-2	58
Other Governmental Funds:		
Combining Balance Sheet	I-1	59-61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	I-2	62-66
Schedule of Revenues, Expenditures and Changes in Fund Balance –		
Budget and Actual – Other Governmental Special Revenue Funds:		
Student Transportation	J-1	67
Community Education	J-2	68
Suicide Prevention	J-3	69
Title III-A English Language Acquisition	J-4	70
Title I-A Basic	J-5	71
Migrant Literacy	J-6	72
Title I-C Migrant	J-7	73
Title I-A School Improvement	J-8	74
Title II-A Supporting Effective Instruction	J-9	75
Title IV-A Student Support and Academic Enrichment	J-10	76
ELA Core Literacy	J-11	77
AK PBIS Initiative	J-12	78
Elementary and Secondary Emergency Relief III	J-13	79
Safe and Well Being	J-14	80
Title VI-B Special Education	J-15	81
Title VI-B Special Education ARP	J-16	82
Alternative School Kiita	J-17	83
Carl Perkins	J-18	84
Career and Technical Education Program - CTEPS	J-19	85
Section 619 Preschool Disabled	J-20	86
Section 619 Preschool Disabled ARP Funds	J-21	87
New Visions	J-22	88
Johnson O'Malley	J-23	89
Indian Education	J-24	90
RUS USDA AK740-C16 USDA Distance Learning and Telemedicine	J-25	91
RUS USDA AK740-D16 USDA Distance Learning and Telemedicine	J-26	92
Higher Pathways	J-27	93
Juneau Community Foundation	J-28	94
ASRC/ASCF	J-29	95
Exxon Mobil Kaktovik	J-30	96

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Table of Contents, Continued

	<u>Exhibit</u>	<u>Page</u>
Supplementary Information, Continued:		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Other Governmental Special Revenue Funds, Continued:		
Major Maintenance	J-31	97
Teacher Housing	J-32	98
Student Activity	J-33	99
 Schedule of Compliance – AS 14.17.505	 K-1	 100
 Schedule of Expenditures of Federal Awards	 L-1	 101-102
 Notes to Schedule of Expenditures of Federal Awards		 103
 Schedule of State Financial Assistance	 M-1	 104
 Notes to Schedule of State Financial Assistance		 105
Compliance Reports:		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		106-107
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the <i>Uniform Guidance</i>		108-110
Federal Schedule of Findings and Questioned Costs		111-112
Report on Compliance For Each Major State Program and Report on Internal Control Over Compliance Required by the <i>State of Alaska Audit Guide and Compliance Supplement for State Single Audits</i>		113-115
State Schedule of Findings and Questioned Costs		116

Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Slope Borough School District (District), a component unit of the North Slope Borough, Alaska, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of North Slope Borough School District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the North Slope Borough School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Slope Borough School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the North Slope Borough School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Slope Borough School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Information on pages 40-41, and the Schedules of the District's Proportionate Share of Net Pension and OPEB Liabilities and Assets and Contributions for the Public Employees' Retirement System and Teachers' Retirement System and notes to the Required Supplementary Information on pages 42-53, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The information listed in the table of contents as "Supplementary Information", which includes the Major Governmental Funds: Schedule of Revenues, Expenditures and Changes in Fund Balance; Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues; Expenditures and Changes in Fund Balances; Other Governmental Funds; Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual; Schedule of Compliance AS 14.17.505; Schedule of Expenditures of Federal Awards and related notes, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and Schedule of State Financial Assistance and related notes as required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Members of the School Board
North Slope Borough School District

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated August 26, 2024 our consideration of North Slope Borough School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the North Slope Borough School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering North Slope Borough School District's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Anchorage, Alaska
August 26, 2024

BASIC FINANCIAL STATEMENTS

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Statement of Net Position

June 30, 2024

<u>Assets and Deferred Outflows of Resources</u>	<u>Governmental Activities</u>
Current:	
Cash and cash equivalents	\$ 37,166,624
Accounts receivable	1,130,312
Grants receivable	1,707,741
Inventories	458,155
Prepaid items	2,891,574
Total current assets	<u>43,354,406</u>
Long-term:	
Capital assets	11,960,241
Accumulated depreciation and amortization	(10,752,639)
Total non-current assets	<u>1,207,602</u>
Net OPEB assets	17,276,462
Deferred outflows of resources:	
Pension and OPEB deferrals	<u>5,260,508</u>
Total assets and deferred outflows of resources	<u>\$ 67,098,978</u>
<u>Liabilities and Deferred Inflows of Resources</u>	
Current:	
Accounts payable	306,483
Accrued payroll liabilities	3,526,615
Self-insurance liability	4,222,728
Unearned revenue	390,690
Current portion of lease liabilities	8,881
Total current	<u>8,455,397</u>
Long-term:	
Lease liability	30,672
Net pension liabilities	32,182,797
Total non-current liabilities	<u>32,213,469</u>
Deferred inflows of resources:	
Pension and OPEB deferrals	<u>898,773</u>
Total liabilities and deferred inflows of resources	<u>41,567,639</u>
<u>Net Position</u>	
Net investment in capital assets	1,168,049
Unrestricted	24,363,290
Total net position	<u>\$ 25,531,339</u>

The notes to the financial statements are an integral part of this statement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Governmental activities:				
Instruction	\$ 26,257,679	-	4,025,425	(22,232,254)
Special education instruction	3,585,826	-	347,192	(3,238,634)
Special education support services - students	1,207,038	-	695,516	(511,522)
Support services - students	2,236,958	-	130,730	(2,106,228)
Support services - instruction	11,658,002	-	857,795	(10,800,207)
School administration	3,690,674	-	203,692	(3,486,982)
School administration support services	1,134,036	-	128,558	(1,005,478)
District administration	1,909,914	-	71,621	(1,838,293)
District administration support services	3,420,315	-	447,442	(2,972,873)
Operations and maintenance of plant	18,990,920	1,637,548	551,165	(16,802,207)
Student activities	3,879,527	-	932,322	(2,947,205)
Student transportation - to and from school	2,673,177	-	2,222,964	(450,213)
Community services	242,842	-	6,120	(236,722)
Food services	6,271,880	91,817	1,465,028	(4,715,035)
Total governmental activities	\$ 87,158,788	1,729,365	12,085,570	(73,343,853)
General revenues:				
Borough appropriation				\$ 46,027,760
State grants and entitlements not restricted to specific programs				20,444,930
Federal grants and entitlements not restricted to specific programs				10,786,550
Unrestricted investment earnings				2,382,903
E-Rate				5,749,678
Other				699,998
Total general revenues				86,091,819
Change in net position				12,747,966
Net Position, beginning of year				12,783,373
Net position - ending				\$ 25,531,339

The notes to the financial statements are an integral part of this statement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2024

	General (School) Operating Fund	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and cash equivalents	\$ 37,166,624	-	-	37,166,624
Accounts receivable	858,500	271,812	-	1,130,312
Grants receivable	-	-	1,707,741	1,707,741
Inventory	-	458,155	-	458,155
Prepaid items	1,660,180	-	1,231,394	2,891,574
Due from other funds	1,696,485	5,967,369	5,770,411	13,434,265
Total assets	<u>\$ 41,381,789</u>	<u>6,697,336</u>	<u>8,709,546</u>	<u>56,788,671</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	232,059	24,030	50,394	306,483
Accrued payroll liabilities	3,526,615	-	-	3,526,615
Self-insurance liability	4,222,728	-	-	4,222,728
Unearned revenue	-	-	390,690	390,690
Due to other funds	11,737,780	-	1,696,485	13,434,265
Total liabilities	<u>19,719,182</u>	<u>24,030</u>	<u>2,137,569</u>	<u>21,880,781</u>
Fund balances:				
Nonspendable:				
Inventory	-	458,155	-	458,155
Prepaid items	1,660,180	-	1,231,394	2,891,574
Committed:				
Instructional support	2,610,029	-	149,500	2,759,529
Food services	-	4,069,307	-	4,069,307
Pupil transportation	-	-	2,428,013	2,428,013
Student activities	-	-	1,131,509	1,131,509
Assigned:				
Community education	-	-	710,192	710,192
Instruction	10,786,550	-	-	10,786,550
Food services	-	2,145,844	-	2,145,844
Teacher housing	-	-	921,369	921,369
Unassigned	6,605,848	-	-	6,605,848
Total fund balances	<u>21,662,607</u>	<u>6,673,306</u>	<u>6,571,977</u>	<u>34,907,890</u>
Total liabilities and fund balances	<u>\$ 41,381,789</u>	<u>6,697,336</u>	<u>8,709,546</u>	<u>56,788,671</u>

The notes to the financial statements are an integral part of this statement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position

June 30, 2024

Total fund balance - governmental funds		\$	34,907,890
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets in governmental activities are not financial resources and are not reported in the funds, net of accumulated depreciation and amortization of \$10,752,639			1,207,602
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds:			
Lease liability			(39,553)
Proportionate share of the collective net pension liability:			
PERS	(19,683,442)		
TRS	(12,499,355)		
			(32,182,797)
Proportionate share of the collective net OPEB assets:			
PERS	9,236,408		
TRS	8,040,054		
			17,276,462
Certain changes in the net pension and OPEB amounts are deferred to future periods rather than recognized immediately.			
Deferred outflows of resources:			
PERS	3,266,730		
TRS	1,993,778		
			5,260,508
Deferred inflows of resources:			
PERS	(479,005)		
TRS	(419,768)		
			(898,773)
Net position of governmental activities		\$	<u>25,531,339</u>

The notes to the financial statements are an integral part of this statement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds

Year Ended June 30, 2024

	General (School) Operating Fund	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Intergovernmental:				
Borough appropriation	\$ 41,166,371	-	-	41,166,371
Borough in-kind contribution	4,861,389	-	-	4,861,389
Earnings on investments	2,382,903	-	-	2,382,903
Charges for services	-	91,817	1,637,548	1,729,365
E-rate	5,749,678	-	-	5,749,678
Other	199,414	675,062	914,863	1,789,339
Intergovernmental:				
State of Alaska	23,060,824	-	2,348,131	25,408,955
Federal sources	10,786,550	789,996	5,953,184	17,529,730
Total revenues	<u>88,207,129</u>	<u>1,556,875</u>	<u>10,853,726</u>	<u>100,617,730</u>
Expenditures:				
Current:				
Instruction	24,935,527	-	3,180,993	28,116,520
Special education instruction	3,943,441	-	-	3,943,441
Special education support services - students	572,628	-	678,998	1,251,626
Support services - students	2,773,609	-	268,902	3,042,511
Support services - instruction	10,848,904	-	789,696	11,638,600
School administration	3,486,982	-	203,692	3,690,674
School administration support services	1,534,736	-	-	1,534,736
District administration	2,017,570	-	-	2,017,570
District administration support services	3,258,991	-	476,848	3,735,839
Operations and maintenance of plant	16,411,533	-	3,551,618	19,963,151
Student activities	3,113,757	-	840,407	3,954,164
Student transportation - to and from school	-	-	2,657,674	2,657,674
Community services	-	-	242,842	242,842
Food services	-	6,176,440	-	6,176,440
Debt service:				
Interest on long-term debt	-	-	1,933	1,933
Redemption of principle on long-term debt	-	-	8,867	8,867
Total expenditures	<u>72,897,678</u>	<u>6,176,440</u>	<u>12,902,470</u>	<u>91,976,588</u>
Excess (deficiency) of revenues over expenditures	<u>15,309,451</u>	<u>(4,619,565)</u>	<u>(2,048,744)</u>	<u>8,641,142</u>
Other financing sources (uses):				
Other sources	500,584	-	-	500,584
Transfers in	-	3,325,000	2,064,500	5,389,500
Transfers out	(5,389,500)	-	-	(5,389,500)
Net other financing sources (uses)	<u>(4,888,916)</u>	<u>3,325,000</u>	<u>2,064,500</u>	<u>500,584</u>
Net change in fund balances	10,420,535	(1,294,565)	15,756	9,141,726
Fund balance, beginning of year	<u>11,242,072</u>	<u>7,967,871</u>	<u>6,556,221</u>	<u>25,766,164</u>
Fund balances, end of year	<u>\$ 21,662,607</u>	<u>6,673,306</u>	<u>6,571,977</u>	<u>34,907,890</u>

The notes to the financial statements are an integral part of this statement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities

Year Ended June 30, 2024

Net change in fund balances - total governmental funds \$ 9,141,726

Amounts reported for *governmental activities* in the Statement of
Activities are different because:

Some expenses reported in the Statement of Activities do not require
the use of current financial resources and, therefore, are not reported as
expenditures in governmental funds.

Change in the unfunded net pension and OPEB liabilities and assets:

PERS	2,671,909
TRS	1,184,408
	<u>3,856,317</u>

Changes in deferred inflows and outflows of resources are the result of timing differences
in the actuarial report:

PERS	101,022
TRS	88,693
	<u>189,715</u>

Long-term liabilities reported in the Statement of Activities do not require
the use of current financial resources and, therefore, are not reported
as expenditures in governmental funds. Similarly, principal payments
of long-term debt in the governmental funds are not reported as
expenses in the Statement of Activities. Changes in long-term liabilities:

Principal payments on long-term debt	<u>8,867</u>
--------------------------------------	--------------

The cost of capital assets purchased or constructed is reported as an
expenditure in governmental funds. The Statement of Net Position includes
purchased and constructed capital assets among the assets
of the School District as a whole. The cost of those assets is allocated over
estimated useful lives (as depreciation and amortization expense) to the various functions
reported as governmental activities in the Statement of Activities. Completed
building and improvement projects are transferred to the North Slope Borough.

Capital outlay	151,500
Depreciation and amortization expense	(600,159)
	<u>(448,659)</u>

Change in net position of governmental activities \$ 12,747,966

The notes to the financial statements are an integral part of this statement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements

June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the North Slope Borough School District (the District) have been prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Pursuant to Alaska Statutes, Title 29.43.030, the North Slope Borough (the Borough) has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for these functions to the School Board of the North Slope Borough School District. Members of the School Board are elected by the public. The School Board has control over hiring and firing employees and the power to contract and purchase equipment. The School Board is required to submit an annual budget to the Borough Assembly for approval, and all bonded indebtedness is through the Borough. Based on these criteria, financial interdependency, budget approval, responsibility for debt, and financial accountability, the North Slope Borough School District is a component unit of the Borough. The Borough provides utility services to the facilities for the teachers and several schools in the District. The Borough is responsible for assessing and collecting property taxes and remitting the amount approved by the Borough Assembly to the School District.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District. Governmental activities are supported by intergovernmental revenues and other non-exchange transactions. The District does not have any business-type activities or component units.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Deferred inflows of resources are the acquisition of Fund Balance / Net Position by the District that are applicable to a future reporting period. Deferred outflows of resources are the consumption of Fund Balance / Net Position by the District that are applicable to a future reporting period. Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Government-Wide Financial Statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for un-matured interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The District reports the following major governmental funds:

The *School Operating Fund* is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *Food Service Special Revenue Fund* accounts for the District’s food service programs.

The District follows the Uniform Chart of Accounts for School Districts as required by the State of Alaska, Department of Education and Early Development. This manual sets the guidelines for financial reporting and requirements for basic accounting systems, which are uniform throughout Alaska.

Summarized below are the major sources of revenue and the applicable recognition policies.

Intergovernmental Revenue

State of Alaska foundation, Borough Appropriations, pupil transportation funding and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. Federal Impact Aid receipts are recorded as revenues in the year the monies are received. State of Alaska and Federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred. On-behalf payments from the State of Alaska are recognized in the year to which they relate.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Local Revenue

Interest earned is recorded in the School Operating Fund unless otherwise specified by the funding source. Rental income from District owned property is recorded in the period to which it relates. Both interest and rental income are susceptible to accrual. Proceeds from the sale of lunches and other miscellaneous revenues are recognized in the year received.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures and expenses during the reporting period. Actual results could differ from those estimates.

Indirect Costs

The State of Alaska, Department of Education and Early Development annually establishes an approved indirect rate for each District based on audited financial statements. The rate is based on expenditures recorded per requirements in the Uniform Chart of Accounts for School Districts, and as such there is no indirect cost pool. Indirect costs and indirect cost recovery is recorded in the District Administration Support Services function.

D. Assets, Liabilities and Net Position/Fund Balance

1. Cash and cash equivalents and Investments

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash consists of demand deposits associated with the central treasury and does not include cash deposits that are a component of the investment portfolio.

2. Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) receivables, net, (3) certain other current assets, (4) accounts payable, and (5) other current liabilities. The carrying amounts reported in the balance sheet and Statements of Net Position for the above financial instruments closely approximates their fair value due to the short-term nature of these assets and liabilities, except for the District's investments. The carrying amount of the District's investments are determined based on quoted market prices.

3. Short-term Interfund Receivables and Payables

In the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements.

4. Inventories

Inventories, consist of food supplies stated at cost, which approximates fair value, using the first-in first-out (FIFO) method. Inventories are recorded as expenditures when consumed under the consumption method. Reported inventories are equally offset by a portion of fund balance classified as non-spendable in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

5. Prepaid Items

Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaid items. Prepaid items do not reflect current available resources and, thus, an equivalent portion of fund balance is classified as non-spendable in the fund financial statements. Accounting for prepaid items is on the consumption method. The consumption method records the expenditure when consumed rather than when purchased.

6. Capital Assets

Capital assets are reported in the governmental activities column of the government-wide financial statements.

Capital assets are tangible assets consisting of artwork, equipment and vehicles and are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and a useful life of more than one year. School facilities are maintained, managed, and replaced, when applicable, by the Borough. Accordingly, the Borough recognizes these capital assets and related debt.

Artwork is not depreciated. Equipment and vehicle depreciation is computed on the straight-line method over the estimated useful life of the assets, generally 3 to 7 years for equipment and vehicles. Maintenance and repairs of a routine nature that do not add to the value of the asset are charged as expenditures as incurred and are not capitalized.

7. Leases

The District is a lessee for non-cancellable leases of buildings and recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The lease liabilities are recognized with an initial, individual value of \$5,000 or more or immaterial component leases that aggregate to a total value of \$5,000 or more. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If a lease contains a purchase option that the District has determined is reasonably certain of being exercised, the lease asset is amortized over the estimated useful life of the underlying asset. Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- a. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District's estimated incremental borrowing rate is used as the discount rate for leases.
- b. The lease term includes the non-cancellable period of the lease; the term of the lease contract, including options to extend, must be more than 12 months. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a re-measurement of its leases and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

8. Unearned Revenue

Revenue that is received in advance of the period for which it is intended for use and does not meet the requirements for revenue recognition is recognized as unearned revenue.

9. Compensated Absences

All classified and certified twelve-month employees earn and accrue annual leave. All classified school year employees earn and accrue annual leave. All certified school year employees earn personal leave up to 5 days earned and 10 days accrued. Unused annual leave is accrued at current salary cost as earned by employees.

Unused annual leave and salary related payments are accrued as earned by employees and are recorded as a current liability in the period earned. Annual leave is accrued as a current liability when it is expected to be paid with current available resources. Compensated absences are reported in governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an Employees' resignation or retirement).

All certified employees earn sick leave, which is available for use while remaining in a permanent position. Sick leave pay is recorded as an expenditure during the period it is used. Employees' unused sick leave balances are carried forward.

10. Pensions/Other Post Employment Benefits (OPEB)

For purposes of measuring the net pension and OPEB liabilities (Assets), deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/from PERS and TRS's fiduciary net position have been determined on the same basis as they are reported by PERS and TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

11. Net Position

Government-wide net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted net position – consists of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted – all other net position is reported in this category.

12. Fund Balance

In the Fund Financial Statements, fund balance includes five classifications as follows:

Nonspendable Fund Balance – Amounts that are legally or contractually required to be maintained intact (such as the corpus of an endowment fund) or amounts that are not in a spendable form (such as inventory, prepaid items, supplies, long-term receivables). Such constraint is binding until the legal or contractual requirement is repealed or the amounts become spendable.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions, or by enabling legislation. Such constraint is binding unless modified or rescinded by external body, laws, or regulation.

Committed Fund Balance – Includes amounts that can be used only for the specific purposes determined by a formal action of the District Board. Commitments may be changed or lifted by the Board taking the same formal action that imposed the constraint originally.

Assigned Fund Balance – Amounts intended to be used by the District for specific purposes: intent can be expressed by the Board or by the District Superintendent, having been designated such authority. Such constraint is binding unless modified or eliminated by the Board or Superintendent. In governmental funds other than the School Operating Fund, assigned fund balance represents the amount that is not restricted or committed.

Unassigned Fund Balance – The residual classification for the School Operating Fund and includes all amounts not contained in the other classifications. Positive unassigned amounts will be reported only in the School Operating Fund. If another governmental fund, other than the School Operating Fund, has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund.

The order of spending, regarding the restricted and unrestricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance is available, should first reduce restricted fund balance and then unrestricted fund balance. The order of spending regarding unrestricted fund balance is that committed amounts should be reduced first, followed by the assigned amounts, and then the unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Compliance with the provisions of the Fund Balance Classification Policy are reviewed as part of the annual budget adoption process. The Superintendent reports to the Board as close to the end of the year as possible the anticipated year-end fund balance or deficit. The Board takes appropriate action to commit or assign, or otherwise allocate prior year fund balances as a part of the budget planning process.

The District's Special Revenue Funds are used to account for educational, food services, operations and maintenance programs that are restricted or committed.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the School Operating Fund and Special Revenue Funds. Encumbrances outstanding at year end are reported in committed fund balances since they do not constitute expenditures or liabilities. The amount of encumbrances, if significant, are disclosed in the Notes to the Basic Financial Statements as commitments.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**A. Budgets and Budgetary Accounting**

Annual budgets of the various Special Revenue Funds are prepared in connection with the application for the special programs' funding and are reviewed and approved by the School Board. Expenditure authority for Special Revenue Fund programs is limited to the actual combined revenues and transfers from other funds. Unexpended balances of grants from the State and federal governments for the Special Revenue Funds lapse at June 30, except for Indian Education which lapse on September 30. Expenditures are reimbursed by the various entities on a cost basis.

III. DETAIL NOTES ON ALL FUNDS**A. Deposits and Investments**

The District maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is reported in the balance sheet or Statement of Net Position as "cash and cash equivalents" or amounts "due to/from other funds."

The District's bank accounts are insured by the Federal Depository Insurance Corporation (FDIC) to a maximum of \$250,000 per financial institution. Any amount in excess of \$250,000 is collateralized with securities held by the District's agent in the District's name. The District held no investments at June 30, 2024.

All deposits are carried at fair market value plus accrued interest. Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District. The District limits its custodial credit risk in its deposit and investment policy by requiring all deposits to be fully insured or collateralized.

The District's investment policy as of June 30, 2024 allows for short-term investment in the following:

- United States government obligations.
- Direct obligations of an agency or instrumentality of the United States of America, and obligations on which the timely payment of principal and interest is fully guaranteed by any such agency or instrumentality.
- Repurchase agreements secured by obligations of the United States government, or an agency or instrumentality of the United States government.
- Negotiable certificates of deposit issued by a bank receiving the highest short-term credit rating from two Nationally Recognized Statistical Rating Organizations.
- Shares of a money market mutual fund or other collective investments fund registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933.
- The maximum maturity of any single security shall not exceed five years. The weighted average maturity of the portfolio shall not exceed 2.5 years. The average weighted quality of the portfolio must be at least AA/AA2.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The short-term investment policy allows for the following concentration limits:

	Instrument maximum	Issuer maximum
U.S. Government obligations	100%	100%
Repurchase agreements	100%	100%
U.S. Agency obligations	100%	50%
Bank certificates of deposit	50%	10%
Money Market funds	100%	100%

B. Receivables

Receivables as of year end for the District's individual major funds and other governmental funds are as follows:

	School Operating Fund	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total
Grants receivable	\$ -	-	1,707,741	1,707,741
Accounts receivable	858,500	271,812	-	1,130,312
Total	<u>\$ 858,500</u>	<u>271,812</u>	<u>1,707,741</u>	<u>2,838,053</u>

Management has determined that all receivables are collectable; therefore no allowance for doubtful accounts has been established.

IV. CAPITAL ASSETS

The Borough owns and accounts for all school buildings and land, which are provided to the District without charge. Furniture and equipment are accounted for by the District.

Capital asset activity for the year ended June 30, 2024 was as follows:

Governmental activities:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Capital assets not being depreciated – artwork	\$ 134,956	-	-	134,956
Capital assets, being depreciated and amortized				
Equipment	11,601,041	151,500	-	11,752,541
Right-to-use assets	72,744	-	-	72,744
Total capital assets being depreciated and amortized	<u>11,673,785</u>	<u>151,500</u>	<u>-</u>	<u>11,825,285</u>
Less accumulated depreciation and amortization:				
Equipment	(10,134,294)	(591,066)	-	(10,725,360)
Right-to-use assets	(18,186)	(9,093)	-	(27,279)
Net capital assets being depreciated and amortized	<u>1,521,305</u>	<u>(448,659)</u>	<u>-</u>	<u>1,072,646</u>
Net governmental capital assets	<u>\$ 1,656,261</u>	<u>(448,659)</u>	<u>-</u>	<u>1,207,602</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Depreciation and amortization expense was charged to functions of the District as follows:

Instruction	\$	22,875
Support services – instruction		366,725
Operations and maintenance of plant		63,019
Student transportation		15,503
Food services		132,037
Total depreciation and amortization expense	\$	<u>600,159</u>

V. OTHER INFORMATION

A. Risk Management

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability, i.e., errors and omissions, (d) environmental damage, (e) workers compensation, and (f) medical/dental/vision costs for employees. The District mitigates significant risk of loss through the acquisition of commercial insurance policies. The District currently participates in the Alaska Municipal League/Joint Insurance Association (AML/JIA), a member driven risk pool, which covers property and contents, torts, general and auto liability, school leaders errors and omissions, workers compensation, and earthquake and flood. The District maintains other commercial insurance policies relating to faithful performance blanket bonds covering all employees and travel accidents. Coverage limits and the deductibles for the commercial policies have stayed relatively constant for several years. No losses in excess of insurance coverage have been realized over the past three years.

Additional risk of loss exists for employee health benefits. The District established an Employee Health Care Benefit Plan to provide health insurance for employees and their dependents. The District pays premiums into the Plan based on estimated claims and adjusted for actual claims paid during the year. Stop-loss insurance limits the District's liability for individual claims to \$225,000 and \$1,000,000 in aggregate. Health and medical insurance expense was \$10,760,229 for the year ended June 30, 2024 and consisted of paid claims incurred, stop-loss premiums, and administrative fees.

As of June 30, 2024, an estimated liability for claims payable incurred but unreported claims of approximately \$4,222,728 was recorded in the General (School Operating) Fund. This estimate was calculated based on run-out claims and claims history. Changes in the balances of claim liabilities for years ending June 30, 2024 is as follows:

Unpaid claims, beginning of year	\$	4,806,754
Incurred claims (including IBNR's)		9,196,507
Less: claim payments		<u>9,780,553</u>
Unpaid claims (including IBNR's), end of year	\$	<u>4,222,728</u>

The District has elected the reimbursable method of payment for Employment Security Compensation (ESC). Under this arrangement, the actual costs of ESC are reimbursed to the State of Alaska.

B. Employee Retirement Systems and Plans

The District follows *Governmental Accounting Standards Board (GASB) Codification P20, Accounting for Pensions by State and Local Governmental Employees* and *GASB Codification P50, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions*. *GASB Codification P20* and *GASB Codification P50* establish uniform standards for the measurement, recognition, and display of pension and other post-employment benefits other than pensions (healthcare) expenditures/expense and related liabilities, assets, note disclosure and applicable required supplementary information in the financial reports of state and local governmental employers.

All full-time employees and certain permanent part-time employees of the District participate in either the State of Alaska Public Employees' Retirement System (PERS) or the State of Alaska Teacher's Retirement System (TRS). In addition to the pension plan, both systems also administer other post-employment benefit (OPEB) plans.

The system is governed by the Alaska Retirement Management Board. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee.

Summary of Significant Accounting Policies. The financial statements for PERS and TRS are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value.

PERS and TRS act as the common investment and administrative agencies for the following multiple-employer plans:

Plan Name	Type of Plan
Defined Benefit Pension Plan (DB)	Cost-sharing, Defined Benefit Pension
Defined Contribution Pension Plan (DC)	Defined Contribution Pension
Defined Benefit Other Postemployment Benefits (OPEB):	
Occupational Death and Disability Plan	Cost-sharing, Defined Benefit OPEB
Alaska Retiree Healthcare Trust Plan	Cost-sharing, Defined Benefit OPEB
Retiree Medical Plan	Cost-sharing, Defined Benefit OPEB
Defined Contribution Other Postemployment Benefits (DC):	
Healthcare Reimbursement Arrangement Plan	Defined Contribution OPEB

Plan Memberships

The table below includes the plan membership counts from the separately issued financial statements for the various plans:

	PERS	TRS
Retired plan members or beneficiaries		
currently receiving benefits	36,951	13,484
Inactive plan members entitled to but		
not yet receiving benefits	4,781	773
Inactive plan members not entitled to benefits	9,961	1,559
Active plan members	8,557	2,897
Total plan memberships	60,250	18,713

Other Postemployment Benefit Plans (OPEB)*Alaska Retiree Healthcare Trust Plan (ARHCT)*

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT), a Healthcare Trust Fund of the State, was established. The ARHCT is self-funded and provides major medical coverage to retirees of the System. The System retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, healthcare claims were paid for by the Retiree Health Fund (RHF). For the year ended June 30, 2024, employer contributions were 0.00% for PERS and 0.00% for TRS.

Occupational Death and Disability Plan (ODD)

The Occupational Death and Disability Plan provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within the System. For the year ended June 30, 2024, the employer contribution rates were 0.30% for PERS and 0.08% for TRS.

Retiree Medical Plan (RMP)

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured. Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended June 30, 2024, employer contributions were 1.01% for PERS and 0.82% for TRS.

Health Reimbursement Arrangement Plan (HRA)

The Health Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Employer contributions are 3.00% of the average annual compensation of all employees in the PERS and TRS plans.

Investments

The Board is the investment oversight authority of the system's investments. As the fiduciary, the Board has the statutory authority to invest the assets under the Prudent Investor Rule. Fiduciary responsibility for the Board's invested assets is pursuant to AS 37.10.210.390.

State of Alaska Department of Treasury provides staff for the Board. Treasury has created a pooled environment by which it manages investments of the Board. Additionally, Treasury manages a mix of Pooled Investment Funds and Collective Investment Funds for the DC Participant-directed Pension plans under the Board's fiduciary responsibility.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return, net of investment expense, for the year ended June 30, 2023 for PERS and TRS for the DB Pension Plan were 7.56% and 7.52%, the ARHCT Plan were 7.64% and 7.64%, the ODD Plan were 7.71% and 7.62%, and the RMP were 7.71% and 7.62%, respectively.

For additional information on securities lending, interest rates, credit risks, foreign exchange, derivatives, fair value, and counterparty credit risks, see the separately issued report on the Invested Assets of the State of Alaska Retirement and Benefits Plans at:

<http://treasury.dor.alaska.gov/armb/Reports-and-Policies/Annual-Audited-Financial-Schedules.aspx>.

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS and TRS plans (rates shown below exclude an annual inflation component of 2.82%):

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad Domestic Equity	6.17%
Global Equity (ex-U.S.)	6.55%
Aggregate Bonds	1.63%
Real Assets	4.87%
Private Equity	11.57%
Cash Equivalents	0.49%

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities and assets is 7.25%. The projection of the cash flows used to determine the discount rate assumes that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the net pension and OPEB plans fiduciary net pension and OPEB liabilities and assets were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB plan investments were applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities and assets. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefits not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 4.13% as of June 30, 2023.

Employer and Other Contribution Rates. There are several contribution rates associated with the pension and healthcare contributions and related liabilities. These amounts are calculated on an annual basis.

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, these rates are statutorily capped at 22.00% for PERS and 12.56% for TRS of eligible wages, subject to the salary floor, and other termination costs as described below. This rate is calculated on all PERS or TRS participating wages, including those wages attributable to employees in the defined benefit plan.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25-year term which ends in 2039. This will result in lower ARM Board Rates in future years.

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute an on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. On-behalf contribution amounts have been recognized in these financial statements as both revenue and expenditures.

GASB Rate: This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes. Certain actuarial methods and assumptions for this rate calculation are mandated by the *Governmental Accounting Standards Board* (GASB). Medicare Part D subsidies are not reflected in this rate. The rate uses a 7.25% discount rate.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Employer Contribution rates for the plan year ended 2022 (measurement period) are as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
PERS:			
Pension	22.00%	24.79%	2.79%
OPEB	0.00%	0.00%	0.00%
Total PERS contribution rates	22.00%	24.79%	2.79%
TRS:			
Pension	12.56%	24.62%	12.06%
OPEB	0.00%	0.00%	0.00%
Total TRS contribution rates	12.56%	24.62%	12.06%

Termination Costs: If the District decides to terminate coverage for a department, group, or other classification of members, even if that termination results from the decision to divest of a particular District function, all affected employees in that department, group, or other classification of members become immediately vested in the plan. The District must pay to have a termination study completed. The purpose of the study is to calculate the District's one-time termination costs. The costs represent the amount necessary to fully fund the costs of plan members who become vested through this process and for other changes in actuarial assumptions, such as, earlier than expected retirement, that arise from the act of termination of coverage. The District must pay a lump sum within 60 days of termination or arrange a payment plan that is acceptable to the PERS and TRS Administrator. For the plan year ended June 30, 2023 (measurement period) the past service rate for PERS and TRS is 16.33%.

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2022 (latest available) were determined by an actuarial valuation as of June 30, 2021 which was rolled forward to the measurement date June 30, 2022. These actuarial assumptions were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017.

Inflation	2.50% per year.
Salary Increases	Increases range from 2.85% to 7.00% based on service.
Investment return / discount rate	7.25%, net of expenses based on average inflation of 2.50% and a real return of 4.75%.
Mortality	Based upon 2017 - 2021 actual experience study and applicable tables contained in Pub-210, projected with MP-2021 generational improvement.
Healthcare cost trend rates	Pre-65 medical: 7.0% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Rx/EGWP: 7.5% grading down to 4.5%. Ultimate trend rates reached in FY2050.

The actuarial assumptions used in the June 30, 2022 actuarial valuation are the same as those used in the June 30, 2021 valuation with the following exceptions related to the ARHCT plan:

1. Per capita claims costs were updated to reflect recent experience.
2. Normal cost for administrative expenses were updated to reflect recent two years of actual administrative expenses paid from plan assets.

The changes of assumptions from the latest experience study significantly reduced deferred inflows of resources attributable to the District, as well as a net OPEB benefit recognized by the District for the State's proportionate share of OPEB plan expense attributable to the District. In some instances, the reduction of revenues and expenses reported for the State's proportionate share of OPEB plan expense attributable to the District creates a net negative Pension/OPEB expense (net pension/OPEB benefit) which results in negative operating grants and contributions for certain functions reported on the Statement of Activities.

Alaska Public Employees' Retirement System (PERS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Public Employees' Retirement System (PERS), a cost sharing multiple employer defined benefit pension plan. PERS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The Plan was established and is administered by the State of Alaska, Department of Administration. The Public Employee's Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at: <http://doa.alaska.gov/drb/pers>.

Pension Benefits. All tier employee benefits vest with five years of credited service. There are three tiers of employees based on entry date. Tier I employees enrolled prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For Tier II and III employees enrolled after June 30, 1986, but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. All tier employees with 30 or more years of credited service may retire at any age and receive a normal benefit.

The PERS defined benefit plan is closed to new hires enrolled on or after July 1, 2006. New hires after this date participate in the PERS defined contribution plan (DC) described later in these notes.

Currently there are 150 employers participating in PERS defined benefit plan and 151 participating in PERS defined contribution and OPEB plans.

Retirement benefits are calculated by multiplying the average monthly compensation (AMC) times credited PERS service times the percentage multiplier. The AMC is determined by averaging the salaries earned during the five highest (three highest for peace officers/firefighters members or members hired prior to July 1, 1996) consecutive payroll years. Members must earn at least 115 days of credit in the last year worked to include it in the AMC calculation. The PERS pays a minimum benefit of \$25 per month for each year of service when the calculated benefit is less.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The percentage multipliers for peace officers/firefighters are 2% for the first ten years of service and 2.5% for all service over 10 years. The percentage multipliers for all other participants are 2% for the first ten years, 2.25% for the next ten years, and 2.5% for all remaining service earned on or after July 1, 1986. All service before that date is calculated at 2%.

Post-employment healthcare benefits are provided without cost to all members first enrolled before July 1, 1986. Members first enrolled after June 30, 1986, but before July 1, 2006, and who have not reached age 60 may elect to pay for major medical benefits.

Post Retirement Pension Adjustments. The plan has two types of postretirement pension adjustments (PRPA). The automatic PRPA is issued annually to all eligible benefit recipients, when the cost of living increases in the previous calendar year. The discretionary PRPA may be granted to eligible recipients by the DB Plan's administrator if the funding ratio of the DB Plan meets or exceeds 105%. If both an automatic and discretionary PRPA are granted, the retiree is eligible for both adjustments, the one that provides the retiree with the greatest benefit will be paid.

Funding Policy. In April 2008 the Alaska Legislature passed legislation which statutorily capped the employer contribution, established a state funded "on-behalf" contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan (DC) described later in these footnotes. The state legislature capped the rate at 22%, with the State contributing an on-behalf payment for the difference between the actuarial contribution and the cap.

Salary Floor. During the 25th legislation session, Senate Bill 125 passed, which established a June 30, 2008 salary floor under AS 39.35.255(a)(2). The salary floor is the total base salaries paid by an employer to active employees of the system as of the fiscal year ending June 30, 2008. The statute requires the Division of Retirement and Benefits (Division) to collect employer contributions at a minimum based on FY 2008 base salaries.

Employee Contribution Rate. PERS active members are required to contribute 6.75%, 7.50% for peace officers and firefighters, and 9.60% for certain school district employees.

Employer contributions for the year ended June 30, 2024 were:

Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$ 1,955,721	134,395	2,090,116

Public Employees' Retirement Plans

For the year ended June 30, 2024 the State of Alaska contributed \$388,526 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of \$222,165 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2024, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:		Pension
District's proportionate share of the net pension liability	\$	19,683,442
State's proportionate share of the net pension liability		6,561,147
Total	\$	<u>26,244,589</u>
		OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	\$	(8,718,321)
State's proportionate share of the ARHCT OPEB liability (asset)		(2,933,812)
Total	\$	<u>(11,652,133)</u>
District's proportionate share of the ODD OPEB liability (asset)	\$	<u>(245,830)</u>
District's proportionate share of the RMP OPEB liability (asset)	\$	<u>(272,257)</u>
Total District's share of net pension and OPEB liabilities and (assets)	\$	<u>10,447,034</u>

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2022, rolled forward to the measurement date of June 30, 2023 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending 2024 to 2039, as determined by projections based on the June 30, 2022 valuation.

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	June 30, 2023 Measurement	June 30, 2022 Measurement	Change
Pension	0.37961%	0.43015%	(0.05054%)
OPEB:			
ARHCT	0.37890%	0.42720%	(0.0483%)
ODD	0.47916%	0.47052%	0.00864%
RMP	0.57337%	0.55560%	0.01777%

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2023, the District recognized pension and OPEB expense of \$581,862 and (\$981,811), respectively, for the year ended June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	513,769	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	1,955,721	-
Total	\$ <u>2,469,490</u>	<u>-</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,102	-
Changes of assumptions	-	(160,437)
Net difference between projected and actual earnings on OPEB plan investments	396,815	-
Changes in proportion and differences between District contributions and proportionate share of contributions	159,395	-
District contributions subsequent to the measurement date	-	-
Total	\$ <u>574,312</u>	<u>(160,437)</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(69,073)
Changes of assumptions	-	(1,023)
Net difference between projected and actual earnings on OPEB plan investments	5,675	-
Changes in proportion and differences between District contributions and proportionate share of contributions	20,970	(6,253)
District contributions subsequent to the measurement date	30,780	-
Total	<u>\$ 57,425</u>	<u>(76,349)</u>

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,299	(8,788)
Changes of assumptions	29,277	(221,395)
Net difference between projected and actual earnings on OPEB plan investments	22,814	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,498	(12,036)
District contributions subsequent to the measurement date	103,615	-
Total	<u>\$ 165,503</u>	<u>(242,219)</u>

\$1,955,721 and \$134,394 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2024 (measurement date), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,		Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2024	\$	(194,855)	(155,567)	(12,346)	(36,697)
2025		(430,949)	(358,450)	(13,476)	(41,083)
2026		1,165,863	952,187	(2,911)	(3,031)
2027		(26,290)	(24,295)	(8,007)	(43,272)
2028		-	-	(6,712)	(30,670)
Thereafter		-	-	(6,252)	(25,578)
Total	\$	<u>513,769</u>	<u>413,875</u>	<u>(49,704)</u>	<u>(180,331)</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2024, the District recognized \$(2,306,657) and \$974,591 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 26,424,962	19,683,442	13,988,843
Net OPEB ARHCT liability (asset)	\$ (5,795,012)	(8,718,321)	(11,174,062)
Net OPEB ODD liability (asset)	\$ (230,981)	(245,830)	(257,388)
Net OPEB RMP liability (asset)	\$ (9,461)	(272,257)	(473,010)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$ (11,454,963)	(8,718,321)	(5,459,727)
Net OPEB ODD liability (asset)	\$ N/A	(245,830)	N/A
Net OPEB RMP liability (asset)	\$ (499,953)	(272,257)	33,588

Alaska Public Employees' Retirement System (PERS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan (PERS Tier IV) for new hires first enrolled on or after July 1, 2006. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 6.75% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5.00% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 1.01% for the retiree medical plan (DB), 0.30% for occupational and death and disability benefits (DB) and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is capped at 22.00% with anything in excess of the previously listed rates being contributed to the Defined Benefit Unfunded Liability (DBUL).

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

The District contributed \$899,357 for the year ended June 30, 2024, which included forfeitures of \$50,509 which have been applied as employer contributions.

Alaska Teachers' Retirement System (TRS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Teachers' Retirement System (TRS), a cost sharing multiple-employer defined benefit plan. Currently, there are 57 employers participating in TRS, including 53 school districts. TRS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The system is governed by the Alaska Retirement Management Board (ARMB). The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for TRS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at <http://doa.alaska.gov/drdb/trs>.

Pension Benefits. Employees hired prior to July 1, 1990, are entitled to annual pension benefits beginning at normal retirement age 55, or early retirement age 50. For employees hired after June 30, 1990 but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. Employees may also retire at any age and receive a normal benefit when they accumulate the required credited service. The benefit related to all years of credited service prior to July 1, 1990 and for years of service through a total of 20 years is equal to 2% of their highest three-year average annual compensation for each year of service. The benefit for each year over 20 years of service subsequent to June 30, 1990, is equal to 2.5% of their highest three-year average annual compensation for each year of service. Employees may elect to receive their pension benefits in the form of a joint or survivor annuity. Effective January 1, 1987, a married member who retires must receive his or her benefit in the form of a joint and survivor annuity unless the member's spouse consents to another form of benefit.

Minimum benefits for employees eligible for retirement are \$25 per month for each year of credited service.

Post Retirement Pension Adjustments. Effective in fiscal year 1991, automatic post retirement pension adjustment (PRPA) was granted to all current and future retirees. The PRPA amount may not exceed the lesser of (a) the actual cost of living increase (percentage) from the date of retirement until the effective date of the PRPA; or (b) 4.00% of the base benefits for each full year that the member has been retired and a prorated percentage for each partial year. However, the PRPA percentage is offset by the percentage of all prior PRPAs that have been granted. TRS members receiving a retirement, disability or survivor benefit, who remain in Alaska, are eligible for an additional allowance equal to 10.00% of the base benefit.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Employee Contribution Rate. The District's active TRS members are required to contribute 8.65% of their annual covered salary.

Employer contributions for the year ended June 30, 2024, were:

Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$ 555,714	143,291	699,005

Teachers' Retirement Plans

For the year ended June 30, 2024 the State of Alaska contributed \$2,227,368 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2024 to a total of \$1,182,169 to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2024, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:	Pension
District's proportionate share of the net pension liability	\$ 12,499,355
State's proportionate share of the net pension liability	19,752,398
Total	\$ 32,251,753
	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	\$ (7,385,130)
State's proportionate share of the ARHCT OPEB liability (asset)	(11,151,528)
Total	\$ (18,536,658)
District's proportionate share of the ODD OPEB liability (asset)	\$ (155,773)
District's proportionate share of the RMP OPEB liability (asset)	\$ (499,151)
Total District's share of net pension and OPEB liabilities and (assets)	\$ 4,459,301

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2022, rolled forward to the measurement date of June 30, 2023 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending 2024 to 2039, as determined by projections based on the June 30, 2022 valuation.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	June 30, 2023 Measurement	June 30, 2022 Measurement	Change
Pension	0.71082%	0.82524%	(0.11442%)
OPEB:			
ARHCT	0.73074%	0.84249%	(0.11175%)
ODD	2.25138%	2.86840%	(0.61702%)
RMP	2.25340%	2.86361%	(0.61021%)

Based on the measurement date of June 30, 2023, the District recognized pension and OPEB expense of \$1,840,844 and (\$1,181,198), respectively, for the year ended June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	512,515	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	555,714	-
Total	\$ 1,068,229	-
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 20,347	-
Changes of assumptions	-	(116,786)
Net difference between projected and actual earnings on OPEB plan investments	304,682	-
Changes in proportion and differences between District contributions and proportionate share of contributions	168,073	-
District contributions subsequent to the measurement date	-	-
Total	\$ 493,102	(116,786)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(24,950)
Changes of assumptions	-	(308)
Net difference between projected and actual earnings on OPEB plan investments	2,724	-
Changes in proportion and differences between District contributions and proportionate share of contributions	47,803	(8,337)
District contributions subsequent to the measurement date	12,739	-
Total	<u>\$ 63,266</u>	<u>(33,595)</u>

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 86,642	(17,328)
Changes of assumptions	20,881	(240,882)
Net difference between projected and actual earnings on OPEB plan investments	28,379	-
Changes in proportion and differences between District contributions and proportionate share of contributions	102,727	(11,177)
District contributions subsequent to the measurement date	130,552	-
Total	<u>\$ 369,181</u>	<u>(269,387)</u>

\$555,714 and \$143,291 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2024 (measurement date), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended		Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
June 30,					
2023	\$	(218,104)	(49,501)	968	(16,718)
2024		(476,628)	(256,506)	338	(22,880)
2025		1,229,838	700,612	5,304	27,282
2026		(22,591)	(18,289)	1,006	(15,284)
2027		-	-	2,817	(11,874)
Thereafter		-	-	6,499	8,716
Total	\$	<u>512,515</u>	<u>376,316</u>	<u>16,932</u>	<u>(30,758)</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2024, the District recognized (\$2,612,090) and \$1,379,135 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 18,399,829	12,499,355	7,514,651
Net OPEB ARHCT liability (asset)	\$ (5,222,894)	(7,385,130)	(9,191,737)
Net OPEB ODD liability (asset)	\$ (156,313)	(155,773)	(155,480)
Net OPEB RMP liability (asset)	\$ (183,111)	(499,151)	(737,471)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$ (9,391,580)	(7,385,130)	(4,981,487)
Net OPEB ODD liability (asset)	\$ N/A	(155,773)	N/A
Net OPEB RMP liability (asset)	\$ (766,765)	(499,151)	(136,105)

Alaska Teachers' Retirement System (TRS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan for new hires first enrolled on or after July 1, 2006. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8.65% of their base salaries. State statutes require the employer to contribute 7.00% of employees' eligible compensation. Additionally, employers are required to contribute to other post-employment benefits (DB): 0.82% for the retiree medical plan, 0.08% for occupational death and disability, and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The employer effective contribution rate is 12.56%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan's pension and OPEB contribution.

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The District contributed \$1,607,101 for the year ended June 30, 2024, which included forfeitures of \$93,059 which have been applied as employer contributions.

VI. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables are shown as “due from other funds” and “due to other funds” in each of the individual funds. The balances at June 30, 2024 are as follows:

Receivable Fund	Payable Fund	Amount
General (School Operating) Fund	Other Governmental Funds	\$ 1,696,485
Food Service Special Revenue Fund	General (School Operating) Fund	5,967,369
Other Governmental Funds	General (School Operating) Fund	5,770,411
		<u>\$ 13,434,265</u>

	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total
Transfers Out			
General (School Operating) Fund	\$ <u>3,325,000</u>	<u>2,064,500</u>	<u>5,389,500</u>

Transfers are used to (a) use unrestricted revenues collected in the General (School Operating) Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or (b) use unrestricted revenues collected in the General (School Operating) Fund to meet local match requirements on State and Federal grants.

VII. Related Party Transactions

The Borough provides utility services to the facilities for the teachers and several schools in the District. During fiscal year 2024, approximately \$4,681,389 of property insurance and heating fuel was recorded as in kind contribution in the operations of the General (School Operating) Fund.

The Borough is responsible for assessing and collecting property taxes and remitting the amount approved by the Borough Assembly to the School District. Property taxes collected and remitted in fiscal year 2024 were \$41,166,371. For fiscal year 2024, the Borough also appropriated money to the district for supplemental programs, such as vocational educational, student activity travel, and breakfast programs that amounted to \$2,875,062.

VIII. Long-term Obligations

Changes in these obligations for the year ended June 30, 2024 are as follows:

	Balances July 1, 2023	Additions	Deletions	Balances June 30, 2024	Due within One Year
Lease liabilities	\$ <u>48,400</u>	<u>-</u>	<u>(8,867)</u>	<u>39,533</u>	<u>8,881</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

IX. Leases

The District has entered into leases for acquisition and use of buildings and available space. The District was required to make principal and interest payments for these leases in the amount of \$10,800 for the year ended June 30, 2024. The District uses an interest rate of 3.99% for its lease calculations. The buildings are amortized over the lease term. The value of the lease liability at June 30, 2024 was \$39,533. The value of the right-to use assets at June 30, 2024 was \$72,744 and the accumulated amortization at June 30, 2024 was \$27,279.

The future principal and interest lease payments as of June 30, 2023, were as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 8,881	1,919	10,800
2026	9,235	1,565	10,800
2027	9,603	1,197	10,800
2028	9,987	813	10,800
2029	1,827	415	2,282
Total	\$ 39,533	5,909	45,442

X. Contingencies and Commitments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, would become a liability of the General (School Operating) Fund.

The District receives a substantial portion of its revenue from state and federal grants. Significant changes in these revenue sources could have a material effect (positive or negative) on the operations of the District. The District provides services solely to those residents of the North Slope Borough as defined by the State of Alaska district boundaries. Significant changes in the local environment or economy could directly affect the District's enrollment. Significant changes in enrollment could have a material effect (positive or negative) on the District's funding and operations.

The District, from time to time, may be a participant in legal proceedings related to the conduct of its business. In the opinion of management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

The District was assessed penalties of \$431,562 including accrued interest by the Internal Revenue Service (IRS) for failure to file and provide information related to its 2018 1095 informational returns. In FY24, the District settled with the IRS and the District received \$500,584 as forgiveness of debt.

Alaska Statute 14.17.505 (AS), Alaska Administrative Code 4 AAC 09.160 (AAC), and the Borough Municipal Code Section 3.07 (Code) contain laws and regulations that limits the District's accumulation of unreserved fund balance (under pre-GASB 54 standards) to no more than 10 percent of current year general (school operating) fund expenditures. On April 9, 2021, the Governor issued COVID-19 Disaster Order of Suspension No. 3 (the Order) which suspended the AS and AAC laws related to the accumulation of unreserved fund balance. The Order has the power of law and supersedes all conflicting laws during the period of suspension. Additionally, on April 30, 2021, the Governor signed House Bill 76 extending the suspension of the AS and AAC through June 30, 2025.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Encumbrances

Outstanding encumbrances are reported as assigned fund balance. Significant encumbrances at June 30, 2024 are as follows:

Educational Supplies and services	\$ <u>2,759,529</u>
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XI. Subsequent Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates covering several topics as follows:

- GASB 101 *Compensated Absences*. Effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.
- GASB 102 *Certain Risk Disclosures*. Effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.
- GASB 103 *Financial Reporting Model Improvements*: Effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 101 unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

GASB Statement No. 102 will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

GASB Statement No. 103 will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Original and Final Budget and Actual

General (School) Operating Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Intergovernmental:				
Borough appropriation	\$ 36,828,052	41,166,371	41,166,371	-
Borough in-kind contribution	3,640,000	4,692,862	4,861,389	168,527
Earnings on investments	900,000	2,092,000	2,382,903	290,903
E-rate	6,099,073	5,400,000	5,749,678	349,678
Other	150,000	156,767	199,414	42,647
Intergovernmental:				
State of Alaska	24,346,070	23,352,400	23,060,824	(291,576)
Federal sources	3,281,305	9,843,600	10,786,550	942,950
Total revenues	<u>75,244,500</u>	<u>86,704,000</u>	<u>88,207,129</u>	<u>1,503,129</u>
Expenditures:				
Current:				
Instruction	25,749,132	27,464,600	24,935,527	2,529,073
Special education instruction	5,439,183	4,543,000	3,943,441	599,559
Special education support services - students	514,967	581,000	572,628	8,372
Support services - students	2,892,510	2,957,100	2,773,609	183,491
Support services - instruction	12,029,970	11,938,600	10,848,904	1,089,696
School administration	3,783,150	3,683,000	3,486,982	196,018
School administration support services	1,452,670	1,459,300	1,534,736	(75,436)
District administration	1,998,310	2,056,100	2,017,570	38,530
District administration support services	3,266,590	3,362,000	3,258,991	103,009
Operations and maintenance of plant	15,421,398	16,699,000	16,411,533	287,467
Student activities	2,096,120	3,125,400	3,113,757	11,643
Total expenditures	<u>74,644,000</u>	<u>77,869,100</u>	<u>72,897,678</u>	<u>4,971,422</u>
Excess of revenues over expenditures	<u>600,500</u>	<u>8,834,900</u>	<u>15,309,451</u>	<u>6,474,551</u>
Other financing (uses):				
Other sources	-	-	500,584	500,584
Transfers out	<u>(2,475,000)</u>	<u>(5,540,000)</u>	<u>(5,389,500)</u>	<u>150,500</u>
Net change in fund balance	<u>\$ (1,874,500)</u>	<u>3,294,900</u>	<u>10,420,535</u>	<u>7,125,635</u>
Fund balance, beginning of year			<u>11,242,072</u>	
Fund balance, end of year			<u>\$ 21,662,607</u>	

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Original and Final Budget and Actual

Food Service Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources	\$ 500,000	767,000	766,879	(121)
Intergovernmental:				
Federal sources	1,350,000	757,018	789,996	32,978
Total revenues	<u>1,850,000</u>	<u>1,524,018</u>	<u>1,556,875</u>	<u>32,857</u>
Expenditures:				
Current - Food services	<u>4,883,080</u>	<u>6,146,718</u>	<u>6,176,440</u>	<u>(29,722)</u>
Excess (deficiency) of revenues over expenditures	(3,033,080)	(4,622,700)	(4,619,565)	3,135
Other financing sources (uses):				
Transfers In	<u>2,225,000</u>	<u>3,325,000</u>	<u>3,325,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (808,080)</u>	<u>(1,297,700)</u>	<u>(1,294,565)</u>	<u>3,135</u>
Fund balance, beginning of year			<u>7,967,871</u>	
Fund balance, end of year			<u>\$ 6,673,306</u>	

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT
Schedule of District's Proportionate Share of the Net Pension Liability

Public Employees' Retirement System (PERS)

June 30, 2024

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.2700%	\$ 12,410,612	\$ 10,669,598	\$ 23,080,210	\$ 6,690,330	185.50%	62.37%
2016	0.4200%	\$ 20,492,879	\$ 5,488,680	\$ 25,981,559	\$ 6,511,486	314.72%	63.96%
2017	0.4900%	\$ 27,181,923	\$ 3,427,838	\$ 30,609,761	\$ 6,342,422	428.57%	59.55%
2018	0.4400%	\$ 22,715,059	\$ 8,463,298	\$ 31,178,357	\$ 5,991,957	379.09%	63.37%
2019	0.4900%	\$ 24,364,821	\$ 7,053,609	\$ 31,418,430	\$ 5,880,048	414.36%	65.19%
2020	0.4700%	\$ 25,558,317	\$ 10,149,508	\$ 35,707,825	\$ 5,001,401	511.02%	63.42%
2021	0.4100%	\$ 24,333,264	\$ 10,070,566	\$ 34,403,830	\$ 4,008,868	606.99%	61.61%
2022	0.4917%	\$ 18,038,082	\$ 2,444,261	\$ 20,482,343	\$ 3,630,989	496.78%	76.46%
2023	0.4302%	\$ 21,924,230	\$ 6,067,474	\$ 27,991,704	\$ 12,100,318	181.19%	67.97%
2024	0.3796%	\$ 19,683,442	\$ 6,561,147	\$ 26,244,589	\$ 13,055,489	150.77%	68.23%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Public Employees' Retirement System (PERS)

June 30, 2024

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.4400%	\$ 3,712,280	\$ 217,422	\$ 3,929,702	\$ 5,991,957	61.95%	89.68%
2019	0.4900%	\$ 5,031,481	\$ 1,459,957	\$ 6,491,438	\$ 5,880,048	85.57%	88.12%
2020	0.4700%	\$ 692,764	\$ 275,453	\$ 968,217	\$ 5,001,401	13.85%	98.13%
2021	0.4100%	\$ (1,866,327)	\$ (774,023)	\$ (2,640,350)	\$ 4,008,868	-46.55%	106.15%
2022	0.4938%	\$ (12,667,318)	\$ (1,661,541)	\$ (14,328,859)	\$ 3,630,989	-348.87%	135.54%
2023	0.4272%	\$ (8,406,060)	\$ (2,402,304)	\$ (10,808,364)	\$ 12,100,318	-69.47%	128.51%
2024	0.0038%	\$ (8,718,321)	\$ (2,933,812)	\$ (11,652,133)	\$ 13,055,489	-66.78%	133.96%
Occupational Death and Disability (ODD):							
2018	0.7000%	\$ (99,788)	\$ -	\$ (99,788)	\$ 5,991,957	-1.67%	212.97%
2019	0.7420%	\$ (14,078)	\$ -	\$ (14,078)	\$ 5,880,048	-0.24%	270.62%
2020	0.5700%	\$ (139,047)	\$ -	\$ (139,047)	\$ 5,001,401	-2.78%	297.43%
2021	0.5300%	\$ (143,699)	\$ -	\$ (143,699)	\$ 4,008,868	-3.58%	283.80%
2022	0.5099%	\$ (224,715)	\$ -	\$ (224,715)	\$ 3,630,989	-6.19%	374.22%
2023	0.4705%	\$ (206,266)	\$ -	\$ (206,266)	\$ 12,100,318	-1.70%	348.80%
2024	0.4792%	\$ (245,830)	\$ -	\$ (245,830)	\$ 13,055,489	-1.88%	349.24%
Retiree Medical Plan (RMP):							
2018	0.7000%	\$ 36,676	\$ -	\$ 36,676	\$ 7,318,628	0.50%	93.98%
2019	0.7200%	\$ 92,240	\$ -	\$ 92,240	\$ 8,204,413	1.12%	88.71%
2020	0.7200%	\$ 172,797	\$ -	\$ 172,797	\$ 9,164,709	1.89%	83.17%
2021	0.6600%	\$ 46,466	\$ -	\$ 46,466	\$ 8,900,878	0.52%	92.23%
2022	0.6003%	\$ (161,120)	\$ -	\$ (161,120)	\$ 8,756,936	-1.84%	115.10%
2023	0.5556%	\$ (192,961)	\$ -	\$ (192,961)	\$ 3,367,318	-5.73%	120.08%
2024	0.5734%	\$ (272,257)	\$ -	\$ (272,257)	\$ 3,649,214	-7.46%	124.29%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2024

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 1,156,138	\$ (1,156,138)	\$ -	\$ 6,511,486	17.76%
2016	\$ 1,181,138	\$ (1,181,138)	\$ -	\$ 6,342,422	18.62%
2017	\$ 1,490,393	\$ (1,490,393)	\$ -	\$ 5,991,957	24.87%
2018	\$ 1,785,699	\$ (1,785,699)	\$ -	\$ 5,880,048	30.37%
2019	\$ 1,655,804	\$ (1,655,804)	\$ -	\$ 5,001,401	33.11%
2020	\$ 1,401,057	\$ (1,401,057)	\$ -	\$ 4,008,868	34.95%
2021	\$ 1,593,057	\$ (1,593,057)	\$ -	\$ 3,630,989	43.87%
2022	\$ 1,590,257	\$ (1,584,293)	\$ 5,964	\$ 12,100,318	13.14%
2023	\$ 1,944,647	\$ (1,934,547)	\$ 10,100	\$ 13,055,489	14.90%
2024	\$ 1,964,838	\$ (1,955,721)	\$ 9,118	\$ 13,588,513	14.46%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2024

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 509,336	\$ (509,336)	\$ -	\$ 5,880,048	8.66%
2019	\$ 595,625	\$ (595,625)	\$ -	\$ 5,001,401	11.91%
2020	\$ 559,721	\$ (559,721)	\$ -	\$ 4,008,868	13.96%
2021	\$ 269,749	\$ (269,749)	\$ -	\$ 3,630,989	7.43%
2022	\$ 216,043	\$ (216,043)	\$ -	\$ 12,100,318	1.79%
2023	\$ -	\$ -	\$ -	\$ 13,055,489	0.00%
2024	\$ -	\$ -	\$ -	\$ 13,588,513	0.00%
Occupational Death and Disability (ODD):					
2018	\$ 13,127	\$ (13,127)	\$ -	\$ 5,880,048	0.22%
2019	\$ 23,809	\$ (23,809)	\$ -	\$ 5,001,401	0.48%
2020	\$ 23,137	\$ (23,137)	\$ -	\$ 4,008,868	0.58%
2021	\$ 27,228	\$ (27,228)	\$ -	\$ 3,630,989	0.75%
2022	\$ 27,159	\$ (27,159)	\$ -	\$ 12,100,318	0.22%
2023	\$ 28,894	\$ (28,894)	\$ -	\$ 13,055,489	0.22%
2024	\$ 30,780	\$ (30,780)	\$ -	\$ 13,588,513	0.23%
Retiree Medical Plan (RMP):					
2018	\$ 84,602	\$ (84,602)	\$ -	\$ 8,204,413	1.03%
2019	\$ 86,183	\$ (86,183)	\$ -	\$ 9,164,709	0.94%
2020	\$ 117,538	\$ (117,538)	\$ -	\$ 8,900,878	1.32%
2021	\$ 111,131	\$ (111,131)	\$ -	\$ 8,756,936	1.27%
2022	\$ 93,765	\$ (93,765)	\$ -	\$ 3,367,318	2.78%
2023	\$ 105,940	\$ (105,940)	\$ -	\$ 3,649,214	2.90%
2024	\$ 103,615	\$ (103,615)	\$ -	\$ 4,087,985	2.53%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Proportionate Share of the Net Pension Liability

Teachers' Retirement System (TRS)

June 30, 2024

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0300%	\$ 8,207,032	\$ 55,971,081	\$ 64,178,113	\$ 8,790,152	93.37%	55.70%
2016	0.0100%	\$ 13,168,117	\$ 21,049,386	\$ 34,217,503	\$ 7,355,691	179.02%	73.82%
2017	0.9100%	\$ 20,675,894	\$ 24,574,393	\$ 45,250,287	\$ 6,963,281	296.93%	68.40%
2018	0.6600%	\$ 13,296,924	\$ 23,209,005	\$ 36,505,929	\$ 6,191,797	214.75%	72.39%
2019	0.7700%	\$ 14,783,598	\$ 21,977,229	\$ 36,760,827	\$ 4,982,771	296.69%	74.09%
2020	0.9300%	\$ 17,315,932	\$ 25,681,701	\$ 42,997,633	\$ 4,177,653	414.49%	74.68%
2021	0.7100%	\$ 14,404,217	\$ 25,005,246	\$ 39,409,463	\$ 4,086,959	352.44%	72.81%
2022	1.1318%	\$ 9,008,750	\$ 7,645,854	\$ 16,654,604	\$ 4,104,919	219.46%	89.43%
2023	0.8252%	\$ 13,755,970	\$ 18,331,997	\$ 32,087,967	\$ 17,334,889	79.35%	78.33%
2024	0.7182%	\$ 12,499,355	\$ 19,752,398	\$ 32,251,753	\$ 15,922,914	78.50%	77.62%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Teachers' Retirement System (TRS)

June 30, 2024

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.6500%	\$ 1,203,383	\$ 2,110,057	\$ 3,313,440	\$ 6,191,797	19.44%	93.75%
2019	0.7700%	\$ 2,396,367	\$ 3,574,845	\$ 5,971,212	\$ 4,982,771	48.09%	90.23%
2020	0.9300%	\$ (1,412,949)	\$ (2,103,108)	\$ (3,516,057)	\$ 4,177,653	-33.82%	105.50%
2021	0.7100%	\$ (2,527,255)	\$ (4,407,007)	\$ (6,934,262)	\$ 4,086,959	-61.84%	113.78%
2022	1.1762%	\$ (13,674,903)	\$ (10,650,918)	\$ (24,325,821)	\$ 4,104,919	-333.13%	145.41%
2023	0.8425%	\$ (7,384,443)	\$ (9,490,377)	\$ (16,874,820)	\$ 17,334,889	-42.60%	134.84%
2024	0.7307%	\$ (7,385,130)	\$ (11,151,528)	\$ (18,536,658)	\$ 15,922,914	-46.38%	140.49%
Occupational Death and Disability (ODD):							
2018	3.0300%	\$ (99,168)	\$ -	\$ (99,168)	\$ 6,191,797	-1.60%	1342.59%
2019	3.3500%	\$ (117,383)	\$ -	\$ (117,383)	\$ 4,982,771	-2.36%	1304.81%
2020	3.3700%	\$ (135,459)	\$ -	\$ (135,459)	\$ 4,177,653	-3.24%	1409.77%
2021	3.0500%	\$ (131,466)	\$ -	\$ (131,466)	\$ 4,086,959	-3.22%	931.08%
2022	3.2058%	\$ (195,391)	\$ -	\$ (195,391)	\$ 4,104,919	-4.76%	1254.36%
2023	2.8684%	\$ (173,251)	\$ -	\$ (173,251)	\$ 17,334,889	-1.00%	1268.28%
2024	2.2514%	\$ (155,773)	\$ -	\$ (155,773)	\$ 15,922,914	-0.98%	1410.42%
Retiree Medical Plan (RMP):							
2018	3.0300%	\$ (143,836)	\$ -	\$ (143,836)	\$ 10,181,445	-1.41%	118.16%
2019	3.3500%	\$ (107,071)	\$ -	\$ (107,071)	\$ 12,034,621	-0.89%	109.56%
2020	3.3500%	\$ (128,347)	\$ -	\$ (128,347)	\$ 13,037,843	-0.98%	110.03%
2021	3.0600%	\$ (302,270)	\$ -	\$ (302,270)	\$ 13,343,586	-2.27%	125.59%
2022	3.2405%	\$ (650,701)	\$ -	\$ (650,701)	\$ 13,702,849	-4.75%	142.54%
2023	2.8636%	\$ (554,567)	\$ -	\$ (554,567)	\$ 11,115,239	-4.99%	140.73%
2024	2.2534%	\$ (499,151)	\$ -	\$ (499,151)	\$ 9,465,788	-5.27%	140.71%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2024

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 591,114	\$ (591,114)	\$ -	\$ 7,355,691	8.04%
2016	\$ 538,092	\$ (538,092)	\$ -	\$ 6,963,281	7.73%
2017	\$ 588,274	\$ (588,274)	\$ -	\$ 6,191,797	9.50%
2018	\$ 585,302	\$ (585,302)	\$ -	\$ 4,982,771	11.75%
2019	\$ 538,013	\$ (538,013)	\$ -	\$ 4,177,653	12.88%
2020	\$ 483,629	\$ (483,629)	\$ -	\$ 4,086,959	11.83%
2021	\$ 499,986	\$ (499,986)	\$ -	\$ 4,104,919	12.18%
2022	\$ 450,055	\$ (437,709)	\$ 12,346	\$ 17,334,889	2.60%
2023	\$ 667,583	\$ (693,363)	\$ (25,780)	\$ 15,922,914	4.19%
2024	\$ 599,933	\$ (555,714)	\$ 44,219	\$ 18,360,720	3.27%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2024

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 509,336	\$ (509,336)	\$ -	\$ 4,982,771	10.22%
2019	\$ 595,625	\$ (595,625)	\$ -	\$ 4,177,653	14.26%
2020	\$ 428,033	\$ (428,033)	\$ -	\$ 4,086,959	10.47%
2021	\$ 286,399	\$ (286,399)	\$ -	\$ 4,104,919	6.98%
2022	\$ 215,190	\$ (215,190)	\$ -	\$ 17,334,889	1.24%
2023	\$ 67	\$ (67)	\$ -	\$ 15,922,914	0.00%
2024	\$ -	\$ -	\$ -	\$ 18,360,720	0.00%
Occupational Death and Disability (ODD):					
2018	\$ 13,127	\$ (13,127)	\$ -	\$ 4,982,771	0.26%
2019	\$ 23,809	\$ (23,809)	\$ -	\$ 4,177,653	0.57%
2020	\$ 10,674	\$ (10,674)	\$ -	\$ 4,086,959	0.26%
2021	\$ 10,963	\$ (10,963)	\$ -	\$ 4,104,919	0.27%
2022	\$ 11,276	\$ (11,276)	\$ -	\$ 17,334,889	0.07%
2023	\$ 9,902	\$ (9,902)	\$ -	\$ 15,922,914	0.06%
2024	\$ 12,739	\$ (12,739)	\$ -	\$ 18,360,720	0.07%
Retiree Medical Plan (RMP):					
2018	\$ 84,602	\$ (84,602)	\$ -	\$ 12,034,621	0.70%
2019	\$ 86,183	\$ (86,183)	\$ -	\$ 13,037,843	0.66%
2020	\$ 145,626	\$ (145,626)	\$ -	\$ 13,343,586	1.09%
2021	\$ 127,711	\$ (127,711)	\$ -	\$ 13,702,849	0.93%
2022	\$ 117,013	\$ (117,013)	\$ -	\$ 11,115,239	1.05%
2023	\$ 107,683	\$ (107,683)	\$ -	\$ 9,465,788	1.14%
2024	\$ 130,552	\$ (130,552)	\$ -	\$ 12,795,391	1.02%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information

Year Ended June 30, 2024

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

The annual budget for the General (School Operating) Fund and the Food Service Special Revenue Fund are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. The budget, which is prepared and presented on a modified accrual basis of accounting, serves as a formal plan for expenditures and as a proposed means for financing them. No funds may be expended until the budget has been formally approved by the School Board.

The adopted General (School Operating) Fund budget are submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations. The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The original and final revised and approved budget is presented in these financial statements. Expenditure authority for the General (School Operating) Fund and the Food Service Special Revenue Fund are limited to the total approved budget. There are no specific line item or category limitations.

Excess of expenditures over appropriations in the General (School Operating) Fund are funded through available fund balance.

Excess of Expenditures over Appropriations

The following functions that had expenditures in excess of appropriations in the School Operating Fund for the year ended June 30, 2024 were:

School administration support services	\$	75,436
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Excess of expenditures over appropriations were funded through available revenues and fund balance.

2. Public Employees' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2021 to June 30, 2022

There were no changes in actuarial methods since the prior valuation.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

b) Changes in Assumptions Since the Prior Valuation – June 30, 2021 to June 30, 2022

Effective for the June 30, 2022 valuation, the Alaska Retirement Management Board adopted the changes to the demographic and economic assumptions recommended by the actuary, based on the results of an experience study performed on the plan experience from July 1, 2017 to June 30, 2021. The changes in assumptions were adopted at the June 2022 Board meeting. The effect of the new assumptions was to increase the actuarial accrued liability as of June 30, 2022 by approximately \$206 million for pension and decrease by approximately \$88 million for healthcare.

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2021 to June 30, 2022

There were no changes in benefit provisions since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2021 to June 30, 2022

There were no changes in actuarial methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2021 to June 30, 2022

Effective for the June 30, 2022 valuation, the Alaska Retirement Management Board adopted the changes to the demographic and economic assumptions recommended by the actuary, based on the results of an experience study performed on the plan experience from July 1, 2017 to June 30, 2021. The changes in assumptions were adopted at the June 2022 Board meeting. The effect of the new assumptions was to increase the actuarial accrued liability as of June 30, 2022 by approximately \$1,222,000 for occupational death & disability and decrease by approximately \$22,348,000 for retiree medical.

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2021 to June 30, 2022

There have been no changes in benefit provisions valued since the prior valuation.

The GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2022 which was rolled forward to June 30, 2023. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

3. Teachers' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2021 to June 30, 2022

There were no changes in actuarial methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2021 to June 30, 2022

Effective for the June 30, 2022 valuation, the Alaska Retirement Management Board adopted the changes to the demographic and economic assumptions recommended by the actuary, based on the results of an experience study performed on the plan experience from July 1, 2017 to June 30, 2021. The changes in assumptions were adopted at the June 2022 Board meeting. The effect of the new assumptions was to increase the actuarial accrued liability as of June 30, 2022 by approximately \$144 million for pension and \$21 million for healthcare.

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2021 to June 30, 2022

There were no changes in benefit provisions since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

a) Changes in Methods Since the Prior Valuation – June 30, 2021 to June 30, 2022

There were no changes in the asset or valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2021 to June 30, 2022

Effective for the June 30, 2022 valuation, the Alaska Retirement Management Board adopted the changes to the demographic and economic assumptions recommended by the actuary, based on the results of an experience study performed on the plan experience from July 1, 2017 to June 30, 2021. The changes in assumptions were adopted at the June 2022 Board meeting. The effect of the new assumptions was to decrease the actuarial accrued liability as of June 30, 2022 by less than \$1,000 for occupational death & disability and by approximately \$3,374,000 for retiree medical.

The healthcare per capital claims cost assumption is updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2021 to June 30, 2022

There have been no changes in benefit provisions valued since the prior valuation.

The GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2022 which was rolled forward to June 30, 2023. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

SUPPLEMENTARY INFORMATION

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Borough appropriation	\$ 41,166,371	41,166,371	-
Borough in-kind contribution	4,692,862	4,861,389	168,527
Local sources:			
Earnings on investments	2,092,000	2,382,903	290,903
E-rate revenue	5,400,000	5,749,678	349,678
Other	156,767	199,414	42,647
Total local sources	53,508,000	54,359,755	851,755
Intergovernmental:			
State of Alaska:			
Foundation program	18,392,280	18,399,691	7,411
TRS on-behalf	2,414,656	2,227,368	(187,288)
PERS on-behalf	401,011	388,526	(12,485)
Other state	10,000	11,110	1,110
Quality schools	100,000	91,803	(8,197)
HB 39	2,034,453	1,942,326	(92,127)
Total State of Alaska	23,352,400	23,060,824	(291,576)
Federal sources:			
Direct sources - Impact Aid	9,843,600	10,786,550	942,950
Total revenues	86,704,000	88,207,129	1,503,129
Expenditures:			
Instruction:			
Certificated salaries	14,105,000	13,519,250	585,750
Non-certificated salaries	1,901,900	1,611,369	290,531
Employee benefits	9,280,000	7,627,279	1,652,721
Professional and technical services	583,000	553,237	29,763
Staff travel	101,500	74,046	27,454
Student travel	193,500	184,666	8,834
Utility services	1,000	1,052	(52)
Other purchased services	95,100	207,197	(112,097)
Supplies, materials and media	1,203,600	1,137,516	66,084
Equipment	-	19,915	(19,915)
Total instruction	27,464,600	24,935,527	2,529,073
Special education instruction:			
Certificated salaries	1,750,000	1,663,794	86,206
Non-certificated salaries	1,168,430	852,260	316,170
Employee benefits	1,600,000	1,409,223	190,777
Professional and technical services	3,000	2,848	152
Staff travel	12,570	9,475	3,095
Supplies, materials and media	9,000	5,841	3,159
Total special education instruction	4,543,000	3,943,441	599,559
Special education support services - students:			
Certificated salaries	190,000	201,708	(11,708)
Non-certificated salaries	20,150	16,198	3,952
Employee benefits	120,600	149,907	(29,307)
Professional and technical services	225,000	185,173	39,827
Staff travel	4,700	5,584	(884)
Utility services	1,600	1,291	309
Other purchased services	6,200	5,389	811
Supplies, materials and media	12,750	7,378	5,372
Total special education support services - students	581,000	572,628	8,372

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Support services - students:			
Certificated salaries	\$ 915,650	778,610	137,040
Non-certificated salaries	847,050	841,525	5,525
Employee benefits	1,149,400	1,119,683	29,717
Supplies, materials and media	45,000	33,791	11,209
Total support services - students	2,957,100	2,773,609	183,491
Support services - instruction:			
Certificated salaries	484,000	495,412	(11,412)
Non-certificated salaries	1,272,000	1,227,919	44,081
Employee benefits	986,000	980,863	5,137
Professional and technical services	237,000	269,077	(32,077)
Staff travel	116,000	102,473	13,527
Utility services	7,652,000	6,883,678	768,322
Other purchased services	517,600	310,174	207,426
Supplies, materials and media	624,000	542,856	81,144
Other	5,000	-	5,000
Equipment	45,000	36,452	8,548
Total support services - instruction	11,938,600	10,848,904	1,089,696
School administration:			
Certificated salaries	2,248,600	2,189,031	59,569
Employee benefits	1,075,200	1,004,368	70,832
Professional and technical services	3,000	2,000	1,000
Staff travel	36,000	27,026	8,974
Utility services	116,800	100,242	16,558
Other purchased services	133,800	115,305	18,495
Supplies, materials and media	67,600	49,010	18,590
Other	2,000	-	2,000
Total school administration	3,683,000	3,486,982	196,018
School administration support services:			
Non-certificated salaries	825,700	861,991	(36,291)
Employee benefits	633,600	672,745	(39,145)
Total school administration support services	1,459,300	1,534,736	(75,436)
District administration:			
Certificated salaries	157,100	162,944	(5,844)
Non-certificated salaries	653,800	627,472	26,328
Employee benefits	490,000	485,477	4,523
Professional and technical services	431,000	416,301	14,699
Student travel	187,000	175,066	11,934
Staff travel	27,000	35,180	(8,180)
Utility services	7,000	5,876	1,124
Other purchased services	13,500	21,908	(8,408)
Supplies, materials and media	61,700	61,515	185
Other	28,000	25,831	2,169
Total district administration	2,056,100	2,017,570	38,530

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
District administration support services:			
Certificated salaries	39,000	40,899	(1,899)
Non-certificated salaries	\$ 1,819,000	1,741,489	77,511
Employee benefits	935,000	919,002	15,998
Professional and technical services	267,000	231,561	35,439
Staff travel	150,000	140,198	9,802
Utility services	15,200	7,969	7,231
Other purchased services	55,500	113,257	(57,757)
Insurance and bond premiums	393,300	394,046	(746)
Supplies, materials and media	47,000	33,353	13,647
Other	3,000	18,667	(15,667)
Indirect costs	(362,000)	(381,450)	19,450
Total district administration support services	3,362,000	3,258,991	103,009
Operations and maintenance of plant:			
Certificated salaries	39,000	38,514	486
Non-certificated salaries	4,842,200	4,738,709	103,491
Employee benefits	2,992,300	2,960,254	32,046
Professional and technical services	330,500	213,546	116,954
Staff travel	120,500	75,403	45,097
Utility services	419,900	364,290	55,610
Energy	3,284,000	2,874,598	409,402
Other purchased services	121,000	121,219	(219)
Insurance and bond premiums	3,450,000	3,797,183	(347,183)
Supplies, materials and media	1,049,600	1,183,252	(133,652)
Equipment	50,000	44,565	5,435
Total operations and maintenance of plant	16,699,000	16,411,533	287,467
Student activities:			
Certificated salaries	380,000	373,922	6,078
Non-certificated salaries	220,000	210,611	9,389
Employee benefits	203,000	207,647	(4,647)
Professional and technical services	104,400	105,243	(843)
Staff travel	7,000	7,414	(414)
Student travel	2,112,000	2,090,471	21,529
Supplies, materials and media	83,000	90,318	(7,318)
Other	16,000	14,660	1,340
Equipment	-	13,471	(13,471)
Total student activities	3,125,400	3,113,757	11,643
Total expenditures	77,869,100	72,897,678	4,971,422
Excess of revenues over expenditures	8,834,900	15,309,451	6,474,551

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Other financing sources			
IRS civil penalty refund	<u>-</u>	<u>500,584</u>	<u>500,584</u>
Other financing (uses):			
Transfers out:			
Special Revenue Funds:			
Student Transportation	(235,000)	(235,000)	-
Community Education	(200,000)	(200,000)	-
Food Service	(3,325,000)	(3,325,000)	-
RUS USDA	(300,000)	(149,500)	150,500
Teacher Housing	<u>(1,480,000)</u>	<u>(1,480,000)</u>	<u>-</u>
Net other financing (uses)	<u>(5,540,000)</u>	<u>(5,389,500)</u>	<u>150,500</u>
Net change in fund balance	\$ <u>3,294,900</u>	10,420,535	<u>7,125,635</u>
Fund balance, beginning of year		<u>11,242,072</u>	
Fund balance, end of year		\$ <u>21,662,607</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Food Service Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Charges for services	\$ 81,000	91,817	10,817
Other	686,000	675,062	(10,938)
Total local revenue	767,000	766,879	(121)
Intergovernmental:			
Federal sources passed through the State of Alaska:			
Type A reimbursement	533,933	590,977	57,044
USDA commodities	57,827	55,069	(2,758)
Fresh fruits and vegetable	95,018	73,710	(21,308)
Food distribution	5,121	5,121	-
Supply chain assistance	65,119	65,119	-
Total revenues	1,524,018	1,556,875	32,857
Expenditures:			
Food services:			
Certificated salaries	40,000	38,750	1,250
Non-certificated salaries	1,130,000	1,136,729	(6,729)
Employee benefits	860,000	859,575	425
Staff travel	10,000	9,265	735
Utility services	500	433	67
Other purchased services	1,000	913	87
Supplies, materials and media	4,105,018	4,114,316	(9,298)
Other	200	156	44
Equipment	-	16,303	(16,303)
Total expenditures	6,146,718	6,176,440	(29,722)
Excess (deficiency) of revenues over expenditures	(4,622,700)	(4,619,565)	3,135
Other financing sources:			
Transfers in - School Operating Fund	3,325,000	3,325,000	-
Net change in fund balance	\$ (1,297,700)	(1,294,565)	3,135
Fund balance, beginning of year		7,967,871	
Fund balance, end of year		\$ 6,673,306	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet

June 30, 2024

	Special Revenue Funds					
	Student Transportation	Community Education	Title III-A English Language Acquisition	Title I-A Basic	Title I-C Migrant Education	Title I-A School Improvement
<u>Assets</u>						
Grants receivable	\$ -	-	1,899	339,425	2,761	85,907
Prepaid items	-	-	-	-	-	-
Due from other funds	2,436,004	710,192	-	-	-	-
Total assets	<u>\$ 2,436,004</u>	<u>710,192</u>	<u>1,899</u>	<u>339,425</u>	<u>2,761</u>	<u>85,907</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	7,991	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Due to other funds	-	-	1,899	339,425	2,761	85,907
Total liabilities	<u>7,991</u>	<u>-</u>	<u>1,899</u>	<u>339,425</u>	<u>2,761</u>	<u>85,907</u>
Fund balances:						
Nonspendable:						
Prepaid items	-	-	-	-	-	-
Committed:						
Instructional support	-	-	-	-	-	-
Pupil transportation	2,428,013	-	-	-	-	-
Student activities	-	-	-	-	-	-
Assigned:						
Community education	-	710,192	-	-	-	-
Teacher housing	-	-	-	-	-	-
Total fund balances	<u>2,428,013</u>	<u>710,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 2,436,004</u>	<u>710,192</u>	<u>1,899</u>	<u>339,425</u>	<u>2,761</u>	<u>85,907</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, Continued

	Special Revenue Funds					
	Title II-A Supporting Effective Instruction	Title IV-A Student Support and Academic Enrichment	Postive Behavioral Intervention Strategies	Elementary & Secondary Emergency Relief III	Johnson O'Malley	Indian Education
<u>Assets</u>						
Grants receivable	\$ 63,991	16,071	183,026	839,186	-	164,219
Prepaid items	-	-	-	-	-	-
Due from other funds	-	-	-	-	246,433	-
Total assets	<u>\$ 63,991</u>	<u>16,071</u>	<u>183,026</u>	<u>839,186</u>	<u>246,433</u>	<u>164,219</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Account payable	-	-	-	-	-	-
Unearned revenue	-	-	-	-	246,433	-
Due to other funds	63,991	16,071	183,026	839,186	-	164,219
Total liabilities	<u>63,991</u>	<u>16,071</u>	<u>183,026</u>	<u>839,186</u>	<u>246,433</u>	<u>164,219</u>
Fund balances:						
Nonspendable:						
Prepaid items	-	-	-	-	-	-
Committed:						
Instructional support	-	-	-	-	-	-
Pupil transportation	-	-	-	-	-	-
Student activities	-	-	-	-	-	-
Assigned:						
Community education	-	-	-	-	-	-
Teacher housing	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 63,991</u>	<u>16,071</u>	<u>183,026</u>	<u>839,186</u>	<u>246,433</u>	<u>164,219</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, Continued

		Special Revenue Funds					
		RUS USDA Distance Learning and Telemedicine	ASRC/ASCF	Teacher Housing	Substance Misuse and Addiction Prevention	Student Activity	Total
<u>Assets</u>							
Grants receivable	\$	-	-	-	11,256	-	1,707,741
Prepaid items		-	-	1,231,394	-	-	1,231,394
Due from other funds		149,500	8,852	959,177	128,744	1,131,509	5,770,411
Total assets	\$	<u>149,500</u>	<u>8,852</u>	<u>2,190,571</u>	<u>140,000</u>	<u>1,131,509</u>	<u>8,709,546</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Account payable		-	4,595	37,808	-	-	50,394
Unearned revenue		-	4,257	-	140,000	-	390,690
Due to other funds		-	-	-	-	-	1,696,485
Total liabilities		<u>-</u>	<u>8,852</u>	<u>37,808</u>	<u>140,000</u>	<u>-</u>	<u>2,137,569</u>
Fund balances:							
Nonspendable:							
Prepaid items		-	-	1,231,394	-	-	1,231,394
Committed:							
Instructional support		149,500					149,500
Pupil transportation		-	-	-	-	-	2,428,013
Student activities		-	-	-	-	1,131,509	1,131,509
Assigned:							
Community education		-	-	-	-	-	710,192
Teacher housing		-	-	921,369	-	-	921,369
Total fund balances		<u>149,500</u>	<u>-</u>	<u>2,152,763</u>	<u>-</u>	<u>1,131,509</u>	<u>6,571,977</u>
Total liabilities and fund balances	\$	<u>149,500</u>	<u>8,852</u>	<u>2,190,571</u>	<u>140,000</u>	<u>1,131,509</u>	<u>8,709,546</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2024

	Special Revenue Funds					
	Student Transportation	Community Education	Suicide Prevention	Title III-A English Language Acquisition	Title I-A Basic	Title I-C Migrant Education
Revenues:						
Local sources:						
Charges for services	\$ -	-	-	-	-	-
Other	-	6,120	-	-	-	-
Intergovernmental:						
State of Alaska	2,222,934	-	23,157	-	-	-
Federal sources	-	-	-	20,895	801,877	1,708
Total revenues	\$ 2,222,934	6,120	23,157	20,895	801,877	14,398
Expenditures:						
Current:						
Instruction	-	-	-	-	731,186	-
Special education support services - students	-	-	-	-	-	-
Support services - students	-	-	21,670	-	-	-
Support services - instruction	-	-	-	19,554	19,214	1,598
School administration	-	-	-	-	-	-
District administration support services	-	-	1,487	1,341	51,477	110
Operations and maintenance of plant	-	-	-	-	-	-
Student activities	-	-	-	-	-	-
Student transportation - to and from school	2,657,674	-	-	-	-	-
Community services	-	242,842	-	-	-	-
Debt service:						
Interest on long-term debt	-	-	-	-	-	-
Redemption of principle on long-term debt	-	-	-	-	-	-
Total expenditures	2,657,674	242,842	23,157	20,895	801,877	14,398
Excess (deficiency) of revenues over expenditures	(434,740)	(236,722)	-	-	-	-
Other financing sources:						
Transfers in	235,000	200,000	-	-	-	-
Net change in fund balance	(199,740)	(36,722)	-	-	-	-
Fund balance, beginning of year	2,627,753	746,914	-	-	-	-
Fund balance, end of year	\$ 2,428,013	710,192	-	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

	Special Revenue Funds						
	Title I-A School Improvement	Title II-A Supporting Effective Instruction	Title IV-A Student Support and Academic Enrichment	ELA Core Literacy	AK PBIS Initiative	Elementary and Secondary Emergency Relief III	Title VI-B Special Education
Revenues:							
Local sources:							
Charges for services	\$ -	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources	112,546	194,714	50,483	25,619	183,026	2,908,833	682,714
Total revenues	\$ 112,546	194,714	50,483	25,619	183,026	2,908,833	682,714
Expenditures:							
Current:							
Instruction	84,564	-	11,243	-	-	1,585,930	-
Special education support services - students	7,471	-	-	-	-	-	638,886
Support services - students	-	-	15,952	-	171,277	50,755	-
Support services - instruction	13,286	182,214	20,047	23,975	-	411,347	-
School administration	-	-	-	-	-	203,692	-
District administration support services	7,225	12,500	3,241	1,644	11,749	282,136	43,828
Operations and maintenance of plant	-	-	-	-	-	374,973	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Debt service:							
Interest on long-term debt	-	-	-	-	-	-	-
Redemption of principle on long-term debt	-	-	-	-	-	-	-
Total expenditures	112,546	194,714	50,483	25,619	183,026	2,908,833	682,714
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-
Other financing sources:							
Transfers in	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-
Fund balance, end of year	\$ -	-	-	-	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

	Special Revenue Funds						
	Title VI-B Special Education ARP	Alternative School Kiita	Carl Perkins	Career and Technical Education Program CTEPS	Section 619 Preschool Disabled	Section 619 Preschool Disabled ARP	New Visions
Revenues:							
Local sources:							
Charges for services	\$ -	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	20,431	-	74,963	-	-	6,646
Federal sources	20,127	-	92,764	-	13,552	1,201	5,250
Total revenues	\$ 20,127	20,431	92,764	74,963	13,552	1,201	11,896
Expenditures:							
Current:							
Instruction	-	14,758	88,347	70,151	-	-	-
Special education support services - students	18,835	-	-	-	12,682	1,124	-
Support services - students	-	-	-	-	-	-	-
Support services - instruction	-	4,361	-	-	-	-	11,896
School administration	-	-	-	-	-	-	-
District administration support services	1,292	1,312	4,417	4,812	870	77	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Debt service:							
Interest on long-term debt	-	-	-	-	-	-	-
Redemption of principle on long-term debt	-	-	-	-	-	-	-
Total expenditures	20,127	20,431	92,764	74,963	13,552	1,201	11,896
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-
Other financing sources:							
Transfers in	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-
Fund balance, end of year	\$ -	-	-	-	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

Special Revenue Funds							
	Johnson O'Malley	Indian Education	RUS USDA Distance Learning and Telemedicine AK740-C16	RUS USDA Distance Learning and Telemedicine AK740-D16	Higher Pathways	Juneau Community Foundation	ASRC/ ASCF
Revenues:							
Local sources:							
Charges for services	\$ -	-	-	-	-	-	-
Other	-	-	-	-	6,253	1,000	160,645
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources	127,335	592,353	500	-	-	-	-
Total revenues	\$ 127,335	592,353	500	-	6,253	1,000	160,645
Expenditures:							
Current:							
Instruction	119,161	403,686	-	-	-	1,000	43,951
Special education support services - students	-	-	-	-	-	-	-
Support services - students	-	-	-	-	6,253	-	-
Support services - instruction	-	68,230	500	-	-	-	-
School administration	-	-	-	-	-	-	-
District administration support services	8,174	38,027	-	-	-	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	82,410	-	-	-	-	116,694
Student transportation - to and from school	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Debt service:							
Interest on long-term debt	-	-	-	-	-	-	-
Redemption of principle on long-term debt	-	-	-	-	-	-	-
Total expenditures	127,335	592,353	500	-	6,253	1,000	160,645
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-
Other financing sources:							
Transfers in	-	-	-	149,500	-	-	-
Net change in fund balance	-	-	-	149,500	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-
Fund balance, end of year	\$ -	-	-	149,500	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

	Special Revenue Funds				
	Exxon Mobil Kaktovik	Major Maintenance	Teacher Housing	Student Activity	Total
Revenues:					
Local sources:					
Charges for services	\$ -	-	1,637,548	-	1,637,548
Other	27,016	-	-	713,829	914,863
Intergovernmental:					
State of Alaska	-	-	-	-	2,348,131
Federal sources	-	100,089	-	-	5,953,184
Total revenues	\$ 27,016	100,089	1,637,548	713,829	10,853,726
Expenditures:					
Current:					
Instruction	27,016	-	-	-	3,180,993
Special education support services - students	-	-	-	-	678,998
Support services - students	-	-	-	-	268,902
Support services - instruction	-	-	-	-	789,696
School administration:	-	-	-	-	203,692
District administration support services	-	-	-	-	476,848
Operations and maintenance of plant	-	100,089	3,076,556	-	3,551,618
Student activities	-	-	-	641,303	840,407
Student transportation - to and from school	-	-	-	-	2,657,674
Community services	-	-	-	-	242,842
Debt service:					
Interest on long-term debt	-	-	1,933	-	1,933
Redemption of principle on long-term debt	-	-	8,867	-	8,867
Total expenditures	27,016	100,089	3,087,356	641,303	12,902,470
Excess (deficiency) of revenues over expenditures	-	-	(1,449,808)	72,526	(2,048,744)
Other financing sources:					
Transfers in	-	-	1,480,000	-	2,064,500
Net change in fund balance	-	-	30,192	72,526	15,756
Fund balance, beginning of year	-	-	2,122,571	1,058,983	6,556,221
Fund balance, end of year	\$ -	-	2,152,763	1,131,509	6,571,977

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Student Transportation Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 2,301,810	2,222,934	(78,876)
Expenditures:			
Student transportation - to and from school:			
Certificated salaries	-	38,750	(38,750)
Non-certificated salaries	1,455,390	1,489,722	(34,332)
Employee benefits	763,280	800,214	(36,934)
Professional and technical services	127,390	8,711	118,679
Staff travel	-	7,433	(7,433)
Utility services	6,000	8,641	(2,641)
Energy	69,000	65,246	3,754
Other purchased services	5,300	1,769	3,531
Supplies, materials and media	196,000	216,394	(20,394)
Other	500	-	500
Equipment	-	20,794	(20,794)
Total expenditures	2,622,860	2,657,674	(34,814)
Excess (deficiency) of revenues over expenditures	(321,050)	(434,740)	(44,062)
Other financing sources (uses):			
Transfers in - School Operating Fund	235,000	235,000	-
Net change in fund balance	\$ (86,050)	(199,740)	(113,690)
Fund balance, beginning of year		2,627,753	
Fund balance, end of year		\$ 2,428,013	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Community Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ -	6,120	6,120
Expenditures:			
Community services:			
Non-certificated salaries	206,000	156,774	49,226
Employee benefits	22,000	17,606	4,394
Other purchased services	68,417	68,462	(45)
Total expenditures	296,417	242,842	53,575
Excess (deficiency) of revenues over expenditures	(296,417)	(236,722)	59,695
Other financing sources:			
Transfers in - School Operating Fund	200,000	200,000	-
Net change in fund balance	\$ (96,417)	(36,722)	59,695
Fund balance, beginning of year		746,914	
Fund balance, end of year		\$ 710,192	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Suicide Prevention Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 28,000	23,157	(4,843)
Expenditures:			
Support services - students:			
Staff travel	472	471	1
Supplies, material and media	25,731	21,199	4,532
Total support services - students	26,203	21,670	4,533
District administration support services:			
Indirect costs	1,797	1,487	310
Total expenditures	28,000	23,157	4,843
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title III-A English Language Acquisition Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 20,895	20,895	-
Expenditures:			
Support services - instruction:			
Certificated salaries	11,724	12,762	(1,038)
Employee benefits	7,386	6,358	1,028
Supplies, materials and media	444	434	10
Total support services - instruction	19,554	19,554	-
District administration support services:			
Indirect costs	1,341	1,341	-
Total expenditures	20,895	20,895	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title I-A Basic Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 1,011,712	801,877	(209,835)
Expenditures:			
Instruction:			
Certificated salaries	388,041	400,374	(12,333)
Non-certificated salaries	19,500	2,000	17,500
Employee benefits	250,412	103,303	147,109
Professional and technical services	21,200	23,250	(2,050)
Staff travel	8,000	5,172	2,828
Supplies, material and media	232,999	197,087	35,912
Total instruction	920,152	731,186	188,966
Support services - students:			
Supplies, material and media	1,003	-	1,003
Support services - instruction:			
Certificated salaries	10,320	10,323	(3)
Employee benefits	5,714	4,022	1,692
Professional and technical services	1,575	1,625	(50)
Staff travel	8,000	3,244	4,756
Total support services - instruction	25,609	19,214	6,395
District administration support services:			
Indirect costs	64,948	51,477	13,471
Total expenditures	1,011,712	801,877	209,835
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Migrant Literacy Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 2,000	1,708	(292)
Expenditures:			
Support services - instruction:			
Supplies, material and media	1,872	1,598	274
District administration support services:			
Indirect costs	128	110	18
Total expenditures	2,000	1,708	292
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title I-C Migrant Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 168,047	14,398	(153,649)
Expenditures:			
Support services - instruction:			
Non-certificated salaries	53,292	10,000	43,292
Employee benefits	33,574	891	32,683
Staff travel	14,000	-	14,000
Supplies, material and media	56,393	2,583	53,810
Total support services - instruction	157,259	13,474	143,785
District administration support services:			
Indirect costs	10,788	924	9,864
Total expenditures	168,047	14,398	153,649
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title I-A School Improvement Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 172,999	112,546	(60,453)
Expenditures:			
Instruction:			
Certificated salaries	2,000	1,500	500
Non-certificated salaries	14,500	4,047	10,453
Employee benefits	1,484	468	1,016
Supplies, material and media	115,026	78,549	36,477
Total instruction	133,010	84,564	48,446
Special education support services - students:			
Professional and technical services	8,500	7,471	1,029
Support services - instruction:			
Staff travel	20,383	13,286	7,097
District administration support services:			
Indirect costs	11,106	7,225	3,881
Total expenditures	172,999	112,546	60,453
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title II-A Supporting Effective Instruction Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 245,615	194,714	(50,901)
Expenditures:			
Support services - instruction:			
Certificated salaries	68,986	75,884	(6,898)
Employee benefits	34,493	36,532	(2,039)
Professional and technical services	63,520	40,990	22,530
Staff travel	57,500	28,808	28,692
Supplies, materials and media	5,349	-	5,349
Total support services - instruction	229,848	182,214	47,634
District administration support services:			
Indirect costs	15,767	12,500	3,267
Total expenditures	245,615	194,714	50,901
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title IV-A Student Support and Academic Enrichment Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 149,377	50,483	(98,894)
Expenditures:			
Instruction:			
Non-certificated salaries	20,500	6,400	14,100
Employee benefits	9,450	2,039	7,411
Supplies, materials and media	26,490	2,804	23,686
Total instruction	56,440	11,243	45,197
Support services - students:			
Professional and technical services	7,347	5,360	1,987
Staff travel	3,900	2,124	1,776
Supplies, materials and media	15,700	8,468	7,232
Total support services - students	26,947	15,952	10,995
Support services - instruction:			
Professional and technical services	36,400	20,047	16,353
Staff travel	20,000	-	20,000
Total support services - instruction	56,400	20,047	36,353
District administration support services:			
Indirect costs	9,590	3,241	6,349
Total expenditures	149,377	50,483	98,894
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

ELA Core Literacy Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources passed through State of Alaska	\$ 26,115	25,619	(496)
Expenditures:			
Support services - instruction:			
Supplies, materials and media	24,439	23,975	464
District administration support services:			
Indirect costs	1,676	1,644	32
Total expenditures	26,115	25,619	496
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

AK PBIS Initiative Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 230,812	183,026	(47,786)
Expenditures:			
Support services - students:			
Staff travel	147,995	96,477	51,518
Supplies, materials and media	68,000	74,800	(6,800)
Total support services - students	215,995	171,277	44,718
District administration support services:			
Indirect costs	14,817	11,749	3,068
Total expenditures	230,812	183,026	47,786
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Elementary and Secondary School Emergency Relief III Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 2,908,833	2,908,833	-
Expenditures:			
Instruction:			
Certificated salaries	672,000	684,960	(12,960)
Non-certificated salaries	77,000	76,900	100
Employee benefits	170,897	169,327	1,570
Professional and technical services	182,500	182,500	-
Supplies, materials and media	473,500	472,243	1,257
Total instruction	1,575,897	1,585,930	(10,033)
Support services - students:			
Supplies, materials and media	50,000	50,755	(755)
Support services - instruction:			
Certificated salaries	175,850	166,546	9,304
Employee benefits	36,000	35,714	286
Professional and technical services	13,250	13,250	-
Staff travel	8,000	8,102	(102)
Supplies, materials and media	188,000	187,735	265
Total support services-instruction	421,100	411,347	9,753
School administration:			
Certificated salaries	132,000	131,896	104
Employee benefits	71,800	71,796	4
Total school administration	203,800	203,692	108
District administration support services:			
Professional and technical services	95,400	95,400	-
Indirect costs	186,736	186,736	-
Total district administration support services	282,136	282,136	-
Operations and maintenance of plant:			
Non-certificated salaries	82,500	82,168	332
Employee benefits	26,400	26,388	12
Staff travel	46,000	45,708	292
Supplies, materials and media	221,000	220,709	291
Total operations and maintenance of plant	375,900	374,973	927
Total expenditures	2,908,833	2,908,833	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Safe and Well Being Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 3,200	3,200	-
Expenditures:			
Support services - students:			
Staff travel	2,995	2,995	-
District administration support services:			
Indirect costs	205	205	-
Total expenditures	3,200	3,200	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title VI-B Special Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 682,714	682,714	-
Expenditures:			
Special education support services - students:			
Certificated salaries	62,382	66,696	(4,314)
Non-certificated salaries	60,300	61,664	(1,364)
Employee benefits	73,424	76,813	(3,389)
Professional and technical services	377,780	394,337	(16,557)
Staff travel	15,000	5,559	9,441
Supplies, materials and media	50,000	33,817	16,183
Total special education support services-students	638,886	638,886	-
District administration support services:			
Indirect costs	43,828	43,828	-
Total expenditures	682,714	682,714	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title VI-B Special Education ARP Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 20,127	20,127	-
Expenditures:			
Special education support services - students:			
Professional and technical services	18,835	18,835	-
District administration support services:			
Indirect costs	1,292	1,292	-
Total expenditures	20,127	20,127	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Alternative School Kiita Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 23,300	20,431	(2,869)
Expenditures:			
Instruction:			
Supplies, materials and media	17,444	14,758	2,686
Support services - instruction:			
Staff travel	4,360	4,361	(1)
District administration support services:			
Indirect costs	1,496	1,312	184
Total expenditures	23,300	20,431	2,869
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Carl Perkins Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 92,764	92,764	-
Expenditures:			
Instruction:			
Certificated salaries	4,000	4,399	(399)
Employee benefits	1,200	1,122	78
Professional and technical services	28,147	29,389	(1,242)
Staff travel	1,500	-	1,500
Student travel	53,500	53,437	63
Total Instruction	88,347	88,347	-
District administration support services:			
Indirect costs	4,417	4,417	-
Total expenditures	92,764	92,764	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Career and Technical Education Program - CTEPS Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 74,963	74,963	-
Expenditures:			
Instruction			
Supplies, materials and media	70,151	70,151	-
District administration support services:			
Indirect costs	4,812	4,812	-
Total expenditures	74,963	74,963	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT
Section 619 Preschool Disabled Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 13,552	13,552	-
Expenditures:			
Special education support services - students:			
Professional and technical services	12,682	12,682	-
District administration support services:			
Indirect costs	870	870	-
Total expenditures	13,552	13,552	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

SECTION 619 Preschool Disabled ARP Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 1,201	1,201	-
Expenditures:			
Special education support services - students:			
Professional and technical services	1,124	1,124	-
District administration support services:			
Indirect costs	77	77	-
Total expenditures	1,201	1,201	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

New Visions Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 6,646	6,646	-
Federal sources passed through State of Alaska	5,250	5,250	-
Total revenue	<u>11,896</u>	<u>11,896</u>	<u>-</u>
Expenditures:			
Support services - instruction:			
Professional and technical	8,300	8,300	-
Staff travel	3,160	3,596	(436)
Supplies, materials and media	436	-	436
Total expenditures	<u>11,896</u>	<u>11,896</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Johnson O'Malley Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 127,375	127,335	(40)
Expenditures:			
Instruction:			
Professional and technical services	5,200	5,208	(8)
Staff travel	74,450	74,413	37
Supplies, materials and media	39,550	39,540	10
Total instruction	119,200	119,161	39
District administration support services:			
Indirect costs	8,175	8,174	1
Total expenditures	127,375	127,335	40
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Indian Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 592,353	592,353	-
Expenditures:			
Instruction:			
Certificated salaries	256,926	246,506	10,420
Employee benefits	92,530	107,713	(15,183)
Student travel	-	36,964	(36,964)
Supplies, materials and media	-	12,503	(12,503)
Total instruction	349,456	403,686	(54,230)
Support services- instruction:			
Non-certificated salaries	11,200	11,437	(237)
Employee benefits	6,160	9,237	(3,077)
Supplies, materials, and media	49,610	47,556	2,054
Total support services - instruction	66,970	68,230	(1,260)
District administration support services:			
Indirect costs	38,027	38,027	-
Student activities:			
Certificated salaries	19,070	16,517	2,553
Non-certificated salaries	-	883	(883)
Employee benefits	12,070	2,997	9,073
Student travel	91,050	60,099	30,951
Supplies, materials, and media	15,710	1,914	13,796
Total student activities	137,900	82,410	55,490
Total expenditures	592,353	592,353	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

RUS USDA AK740-C16 Distance Learning and Telemedicine Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 500	500	-
Expenditures:			
Support services- instruction:			
Supplies, materials and media	500	500	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

RUS USDA AK740-D16 Distance Learning and Telemedicine Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 987,952	-	(987,952)
Expenditures:			
Support services- instruction:			
Other purchased services	791,000	-	791,000
Supplies, materials and media	228,744	-	228,744
Equipment	117,708	-	117,708
Total expenditures	1,137,452	-	1,137,452
Excess (deficiency) of revenues over expenditures	(149,500)	-	(149,500)
Other financing sources:			
Transfers in - School Operating Fund	149,500	149,500	-
Net change in fund balance	\$ -	149,500	(149,500)
Fund balance, beginning of year		-	
Fund balance, end of year		\$ 149,500	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Higher Pathways Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 6,253	6,253	-
Expenditures:			
Support services- students:			
Student travel	1,753	1,753	-
Supplies, materials and media	4,500	4,500	-
Total expenditures	6,253	6,253	
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT
Juneau Community Foundation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 1,000	1,000	-
Expenditures:			
Instruction:			
Supplies, materials and media	1,000	1,000	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

ASRC/ASCF Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 164,902	160,645	(4,257)
Expenditures:			
Instruction:			
Non-certificated salaries	33,000	32,070	930
Supplies, materials and media	12,000	11,881	119
Total instruction	45,000	43,951	1,049
Student activities:			
Non-certificated salaries	18,600	18,550	50
Student travel	7,200	7,114	86
Supplies, materials, and media	94,102	91,030	3,072
Total student activities	119,902	116,694	3,208
Total expenditures	164,902	160,645	4,257
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Exxon Mobil Kaktovik Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Local sources:			
Other	\$ 27,016	27,016	-
Expenditures:			
Instructional:			
Student travel	27,016	27,016	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Major Maintenance Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 140,000	-	(140,000)
Intergovernmental:			
Federal sources passed through the Native Village of Nuiqsut	500,000	100,089	(399,911)
Total revenues	<u>640,000</u>	<u>100,089</u>	<u>(539,911)</u>
Operations and maintenance of plant:			
Other purchased services	381,000	-	381,000
Supplies, materials and media	119,000	100,089	18,911
Equipment	140,000	-	140,000
Total operations and maintenance of plant	<u>640,000</u>	<u>100,089</u>	<u>539,911</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Teacher Housing Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Charges for services	\$ 1,638,500	1,637,548	(952)
Expenditures:			
Operations and maintenance of plant:			
Non-certificated salaries	510,000	509,584	416
Employee benefits	236,000	236,131	(131)
Professional and technical services	1,500	1,440	60
Utility services	282,000	281,675	325
Energy	479,000	478,704	296
Other purchased services	1,247,000	1,235,941	11,059
Supplies, materials and media	334,000	333,081	919
Total operations and maintenance of plant	3,089,500	3,076,556	12,944
Debt service:			
Interest on long-term debt	-	1,933	(1,933)
Redemption of principal on long-term debt	-	8,867	(8,867)
Total debt service	-	10,800	(10,800)
Total expenditures	3,089,500	3,087,356	2,144
Excess (deficiency) of revenues over expenditures	(1,451,000)	(1,449,808)	1,192
Transfers in - School Operating Fund	1,480,000	1,480,000	-
Net change in fund balance	\$ 29,000	30,192	1,192
Fund balance, beginning of year		2,122,571	
Fund balance, end of year		\$ 2,152,763	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Student Activity Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 715,000	713,829	(1,171)
Expenditures:			
Student activities:			
Supplies, materials and media	715,000	641,303	73,697
Excess of revenues over expenditures	\$ -	72,526	72,526
Fund balance, beginning of year		1,058,983	
Fund balance, end of year		\$ 1,131,509	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Compliance - AS 14.17.505

June 30, 2024

Total fund balance - School Operating Fund	\$	21,662,607
less exemptions per 4 AAC 09.160(a)		
Prepaid items		1,660,180
Encumbrances		2,610,029
Federal impact aid received		<u>10,786,550</u>
Fund Balance Subject to 10% Limitation	\$	<u><u>6,605,848</u></u>

Nonexempt fund balance as a percentage of current year expenditures:

<u>Fund balance subject to limitation</u>	<u>6,605,848</u>	=	<u>9.06%</u>
Current year expenditures	<u>72,897,678</u>		

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

<u>Grant Title</u>	<u>Grant Number</u>	<u>Assistance Listing Number</u>	<u>Total Grant Award</u>	<u>Federal Share of Expenditures</u>
U.S. Department of Education:				
Direct:				
Impact Aid	S041B-2022-0166	84.041	\$ 3,973,172	3,973,172
Impact Aid	S041B-2023-0166	84.041	2,877,123	2,877,123
Impact Aid	S041B-2024-0166	84.041	3,936,255	3,936,255
Total ALN 84.041			<u>10,786,550</u>	<u>10,786,550</u>
Indian Education	S060A230651	84.060A	<u>592,353</u>	<u>592,353</u>
Total direct programs			<u>11,378,903</u>	<u>11,378,903</u>
Passed through the State of Alaska,				
Department of Education and Early Development:				
Title I-A Basic	IP 24.NSSD.01	84.010A	1,011,712	801,877
Title I-A School Improvement	SI 24.NSSD.01	84.010A	173,000	112,546
Total ALN 84.010			<u>1,184,712</u>	<u>914,423</u>
Title I-C Migrant Literacy	MB 24.NSSD.01	84.011A	2,000	1,708
Title I-C Migrant Education	IP 24.NSSD.01	84.011A	159,092	5,443
Title I-C Migrant Education	IP24.NSSD.01	84.011	8,955	8,955
Total ALN 84.011			<u>170,047</u>	<u>16,106</u>
Special Education Cluster:				
COVID-19 Title VI-B	SE 24.NSSD.01	84.027A	682,714	682,714
Section 619 ARP	SE 24.NSSD.01	84.173X	1,201	1,201
Section 619	SE 24.NSSD.01	84.173A	13,552	13,552
COVID-19 Title VI-B ARP	SE 24.NSSD.01	84.027X	20,127	20,127
Total Special Education Cluster			<u>717,594</u>	<u>717,594</u>
Carl Perkins Vocational Education	EK 24.NSSD.01	84.048A	<u>92,764</u>	<u>92,764</u>
Title IV-A Student Support and Academic Enrichment	IP 24.NSSD.01	84.424A	<u>149,378</u>	<u>50,483</u>
Title III-A English Language Acquisition	IP 24.NSSD.01	84.365A	<u>20,895</u>	<u>20,895</u>
Title II-A Supporting Effective and Recruitment	IP 24.NSSD.01	84.367A	<u>245,615</u>	<u>194,714</u>
ELA Core Literacy	CL 24.NSSD.01	84.425U	26,115	25,619
Positive Behavioral Intervention Strategies	PB 24.NSSD.01	84.425U	231,000	183,026
COVID-19 ESSER III	ER 24.NSSD.01	84.425U	2,908,833	2,908,833
Total ALN 84.425			<u>3,165,948</u>	<u>3,117,478</u>
Total passed through State of Alaska, Department of Education and Early Development			<u>5,746,953</u>	<u>5,124,457</u>
Total Department of Education			<u>17,125,856</u>	<u>16,503,360</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards, Continued

<u>Grant Title</u>	<u>Grant Number</u>	<u>Assistance Listing Number</u>	<u>Total Grant Award</u>	<u>Federal Share of Expenditures</u>
U.S. Department of Agriculture:				
Passed through the State of Alaska				
Department of Education and Early Development:				
Child Nutrition Cluster:				
National School Breakfast Program	None	10.553	\$ 147,788	147,788
National School Lunch Program	None	10.555	443,189	443,189
Supply Chain Assistance	FD 23.NSSD.01	10.555	1,982	1,982
Supply Chain Assistance	FD 24.NSSD.01	10.555	63,137	63,137
USDA Commodities	None	10.555	57,827	55,069
Total ALN 10.555			566,135	563,377
Fresh Fruit and Vegetable Program	FF 24.NSSD.01	10.582	11,588	11,588
Fresh Fruit and Vegetable Program	FF 24.NSSD.02	10.582	83,430	62,122
Total ALN 10.582			95,018	73,710
Total Child Nutrition Cluster			808,941	784,875
Food Distribution Admin Fee Reimbursement	FD 23.NSSD.01	10.560	174	174
Food Distribution Admin Fee Reimbursement	FD 24.NSSD.01	10.560	4,947	4,947
Total ALN 10.560			5,121	5,121
Total passed through the State of Alaska			814,062	789,996
Direct:				
RUS Distance Learning and Telemedicine	AK 740-D16	10.855	987,952	500
Total Department of Agriculture			1,802,014	790,496
U.S. Department of Health and Human Services				
Passed through the State of Alaska				
Safety and Well Being	SW 24.NSSD.01	93.243	3,200	3,200
U.S. Department of the Interior:				
Direct:				
Johnson O'Malley	A22AV00419	15.130	198,842	127,335
U.S. Department of the Treasury:				
Passed through the Native Village of Nuiqsut:				
COVID-19 NUI Boiler Replacement	None	21.027	500,000	100,089
National Endowment for the Arts:				
Passed through the State of Alaska:				
New Visions	FY22-NV009	45.024	5,250	5,250
Total federal financial assistance			\$ 19,635,162	17,529,730

See accompanying notes to the Schedule of Expenditures of Federal Awards.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of North Slope Borough School District under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of North Slope Borough School District, it is not intended to and does not present the basic financial statements of North Slope Borough School District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform guidance.

Note 3. Non-monetary Assistance

Non-monetary assistance is reported in the schedule at fair market value of commodities received and disbursed. For the year ended June 30, 2024, the District received \$55,069 in USDA commodities.

Note 4. Passed Through Awards

No Amounts were passed through to subrecipients.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of State Financial Assistance

Year Ended June 30, 2024

<u>Grant Title</u>	<u>Grant Number</u>	<u>Grant Award</u>	<u>Eligible Expenditures</u>
State of Alaska, Department of Education and Early Development:			
* Foundation	None	\$ 18,399,691	18,399,691
Quality Schools	None	91,803	91,803
PFD Dividend Raffle	None	11,110	11,110
Suicide Prevention	SP 24.NSSD.01	28,000	23,157
New Visions	FY22-NV009	6,646	6,646
Career and Technical Education - CTEP	CE24NSSD01	74,963	74,963
* Student Transportation	None	2,222,934	2,222,934
Alternative School Kiita	BH 24 NSSD 01	23,300	20,431
* HB39 One time Foundation Funding	None	1,942,326	1,942,326
Total Department of Education and Early Development		<u>22,800,773</u>	<u>22,793,061</u>
Total state financial assistance		\$ <u>22,800,773</u>	<u>22,793,061</u>

See accompanying notes to the Schedule of Financial Assistance

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2024

Note 1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of North Slope Borough School District under programs of the State of Alaska for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of North Slope Borough School District, it is not intended to and does not present the basic financial statements of North Slope Borough School District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the District's basic financial statements.

Note 3. Subrecipients

No state funds were passed through to subrecipients.

Note 4. Major Programs

* denotes a major program for compliance audit purposes.

Note 5. Reconciliation of State Expenditures to the Financial Statements

The following programs are reported as Intergovernmental-State of Alaska revenues, however are not subject to compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*:

Total State Financial Assistance	\$ 22,793,061
PERS On-Behalf	388,526
TRS On-Behalf	<u>2,227,368</u>
Total State Revenues	\$ <u>25,408,955</u>

COMPLIANCE REPORTS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Slope Borough School District, a component unit of the North Slope Borough, Alaska, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise North Slope Borough School District's basic financial statements, and have issued our report thereon dated August 26, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered North Slope Borough School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Slope Borough School District's internal control. Accordingly, we do not express an opinion on the effectiveness of North Slope Borough School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Slope Borough School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Altman, Rogers & Co.".

Anchorage, Alaska
August 26, 2024

**Report on Compliance For Each Major Program and on Internal Control Over Compliance
Required by the Uniform Guidance**

Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited North Slope Borough School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of North Slope Borough School District's major federal programs for the year ended June 30, 2024. North Slope Borough School District's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

In our opinion, North Slope Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of North Slope Borough School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of North Slope Borough School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to North Slope Borough School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on North Slope Borough School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about North Slope Borough School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding North Slope Borough School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of North Slope Borough School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of North Slope Borough School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Anchorage, Alaska
August 26, 2024

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Is a going concern emphasis-of-matter paragraph included in the audit report?

____ Yes X No

Internal control over financial reporting:

Material weakness(es) identified?

____ Yes X No

Significant deficiency(ies) identified?

____ Yes X None Reported

Noncompliance material to financial statements noted?

____ Yes X No

Federal Awards

Internal control over major federal programs (2 CFR 200.516 (a)(1)):

Material weakness(es) identified?

____ Yes X No

Significant deficiency(ies) identified?

____ Yes X None Reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a)(2))?

____ Yes X No

Type of auditor's report issued on compliance for major program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR 200.516 (a)(3) or (4)?

____ Yes X No

Identification of major programs:

Assistance Listing Number(s)

84.010

84.041

84.060

Name of Federal Program or Cluster

Title I Grants to Local Educational Agencies

Impact Aid

Indian Education

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

____ Yes X No

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs, Continued

Section II - Financial Statement Findings

The North Slope Borough School District did not have any findings related to the financial statements.

Section III - Federal Award Findings and Questioned Costs

The North Slope Borough School District did not have any findings related to federal awards.

Report on Compliance For Each Major State Program and Report on Internal Control Over Compliance Required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits

Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited North Slope Borough School District's compliance with the types of compliance requirements identified as subject to audit in the State of Alaska Audit Guide and Compliance Supplements that could have a direct and material effect on each of North Slope Borough School District's major state programs for the year ended June 30, 2024. North Slope Borough School District's major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, North Slope Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements in the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of North Slope Borough School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of North Slope Borough School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to North Slope Borough School District's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on North Slope Borough School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and State of Alaska Audit Guide requirements will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about North Slope Borough School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the State of Alaska Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding North Slope Borough School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of North Slope Borough School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of Alaska requirements, but not for the purpose of expressing an opinion on the effectiveness of North Slope Borough School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State of Alaska. Accordingly, this report is not suitable for any other purpose.



Anchorage, Alaska
August 26, 2024

NORTH SLOPE BOROUGH SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

_____ Yes X No

Significant deficiency identified?

_____ Yes X None reported

Noncompliance material to the financial statements noted?

_____ Yes X No

State Financial Assistance

Internal control over major programs:

Material weakness identified?

_____ Yes X No

Significant deficiency identified?

_____ Yes X None reported

Type of auditor’s report issued on compliance
for major programs:

Unmodified

Dollar threshold used to distinguish between
Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X Yes _____ No

Section II – Financial Statement Findings

North Slope Borough School District did not have any findings that related to the financial statements.

Section III – State Award Findings and Questioned Costs

North Slope Borough School District did not have any findings related to State awards.